

The Assembly met at 13:30.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Ms. Draude: — Mr. Speaker, I have a petition to present today again regarding the Fyke Commission.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary steps to ensure that the Wadena health centre be maintained at its current level of service at minimum, with 24-hour acute care, emergency and doctoral services available, as well as laboratory, public health, home care, and long-term care services for users from our district and beyond.

The people that have signed this petition are all from Wadena.

Mr. Hillson: — Thank you, Mr. Speaker. I'm pleased to present a petition regarding the North Battleford water crisis, the prayer of relief of which reads as follows:

That your Hon. Assembly may be pleased to call on the provincial and federal governments to provide immediate financial assistance to the city of North Battleford in order to facilitate necessary improvements to the North Battleford water treatment plant.

Your petitioners come from North Battleford.

I so present.

Mr. Stewart: — Thank you, Mr. Speaker. I rise to present a petition signed by citizens concerned with the condition of Highway 339. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to repair Highway 339 in order to facilitate economic development initiatives.

And the petition is signed by individuals from the communities of Briercrest and Moose Jaw.

I so present.

Ms. Eagles: — Thank you, Mr. Speaker. Mr. Speaker, I rise today with a petition from citizens concerned about the reduction of services to the Wadena health centre. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary steps to ensure that the Wadena health centre be maintained at its current level of service at minimum, with 24-hour acute care, emergency and doctoral services available, as well as laboratory, physiotherapy, public health, home care, long-term services available to the users from this district and beyond.

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

And this is signed by citizens of Wadena, Hendon, Kuroki, and Kylemore.

I so present. Thank you.

Mr. Wall: — Thank you, Mr. Speaker. Mr. Speaker, I rise again on behalf of people from southwest Saskatchewan regarding the state of the Swift Current hospital. And the prayer of their petition reads as follows:

Wherefore your petitioners will humbly pray that your Hon. Assembly may be pleased to cause the provincial government to carefully consider Swift Current's request for a new hospital.

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

And, Mr. Speaker, the petition today is signed by residents of the city of Swift Current. It's also signed by people from Gull Lake; Hazlet; Moose Jaw; Abbey; Cabri; Bragg Creek, Alberta; Admiral; Pennant; Waldeck; and Shaunavon.

I so present.

Ms. Bakken: — Thank you, Mr. Speaker. I rise today to present a petition on behalf of citizens of Weyburn-Big Muddy who have presented a proposal to the Government of Saskatchewan to build an in-patient treatment centre in the city of Weyburn. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to support this in-patient treatment centre in the city of Weyburn and provide funding for the same.

And the petition is signed by citizens of Weyburn.

I so present.

Mr. Brkich: — Thank you, Mr. Speaker. I have a petition here of citizens concerned about the huge rate increases for residential and business customers:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to use a portion of its windfall oil, gas revenues to provide a more substantial energy rate rebate to Saskatchewan consumers.

As in duty bound, your petitioners will ever pray.

Signed by the good citizens from Davidson, Kelvington, Saskatoon, Bladworth, and Beechy.

I so present.

Mr. Hart: — Mr. Speaker, I rise today to present a petition dealing with ambulance services. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to not

implement the consolidation and centralization of ambulance services as recommended in the EMS report and to affirm its intent to improve community-based ambulance services.

As in duty bound, your petitioners will ever pray.

And signators to this petition come from Saskatoon, Wishart, Elfros, Wynyard, Punnichy, and Foam Lake.

I so present.

Mr. Allchurch: — Thank you, Mr. Speaker. Mr. Speaker, I also rise in the Assembly today to bring forth a petition regarding citizens of Saskatchewan concerned with the Fyke report. And 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 current levels of available acute care, emergency and doctor services.

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

And the signatures, Mr. Speaker, on this petition are from Spiritwood, Meeting Lake, Shell Lake, and Lloydminster.

I so present.

Mr. Peters: — Thank you, Mr. Speaker. I have a petition signed by citizens concerned with the high energy costs, and the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to use a portion of its windfall oil and gas revenues to provide a more substantial energy rebate to Saskatchewan consumers.

Mr. Speaker, the petition is signed by folks from Battleford and North Battleford.

I so present.

Mr. Huyghebaert: — Thank you, Mr. Speaker. Mr. Speaker, I rise again with a petition from citizens who are concerned about the lack of cellular telephone coverage in the rural part of the province. And the petition reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause government to provide reliable cellular telephone service to all communities throughout the Wood River constituency.

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

And, Mr. Speaker, this petition is signed in total by the good citizens of Aneroid.

I so present.

Mr. Bjornerud: — Thank you, Mr. Speaker. I have a petition to do with the lack of funding to non-profit personal care homes. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to provide subsidies to non-profit personal care homes in the province so all seniors can be treated equally.

The signators, Mr. Speaker, are from the community of Kamsack and Runnymede.

I so present.

READING AND RECEIVING PETITIONS

Clerk: — According to order a petition presented on June 8, 2001 regarding increasing the foundation operating grant to school divisions has been reviewed and, pursuant to rule 12(7), is found to be irregular and therefore can not be read and received.

The following petitions have been reviewed and are found to be appropriate and are hereby read and received, and they are 10 petitions that are addendums to previously tabled petitions.

INTRODUCTION OF GUESTS

Mr. D'Autremont: — Thank you, Mr. Speaker. Mr. Speaker, to you and through you to the Assembly, I would like to introduce four guests from the Midwest Legislative Conference that are visiting our Assembly today. They are seated behind the bar on the opposition side.

Today, they are shadowing members of the opposition, and tomorrow they will be shadowing members of the government.

I'd like to introduce to you representative Pam Gulleon. Pam is the minority leader in the North Dakota House. She stands and represents district no. 26 for the Democrats. Representative Gulleon sits on the Appropriations Committee and is a licensed nutritionist and farmer.

Also within her constituency or her district is the Melroe Bobcat plant. So most people in Saskatchewan have some connection with that implement and would recognize where it comes from.

Representative Gulleon was with the North Dakota State College and was the director in charge of distance education, Mr. Speaker.

And I would like to ask all members to welcome representative Pam Gulleon to the Assembly today.

Hon. Members: Hear, hear!

Mr. D'Autremont: — The second member of the delegation, Mr. Speaker, I'd like to introduce is Representative Willard Jenkins from Iowa state. Mr. Jenkins is on the committees for Appropriations, Commerce and Regulation and Economic Development; was first elected in 1996, and is here today, I believe, with his wife Kay and they have four children. Mr. Jenkins' hometown is Waterloo, Iowa.

I would ask all members to welcome him here today.

Hon. Members: Hear, hear!

Mr. D'Autremont: — The third member of the group, Mr. Speaker, is Representative Bob Skarphol.

Mr. Skarphol is actually closer to Regina I believe than he is to his own state capital. It was only a two and a half hour drive to get up here today because his district is right across the border, southwest of Estevan. He represents district no. 2 for the Republicans and his hometown is Tioga, North Dakota.

Representative Skarphol is a buffalo rancher and an independent oilfield contractor. Is married to Diana and they have three children.

I would ask all members to welcome them to the Assembly today.

Hon. Members: Hear, hear!

Mr. D'Autremont: — Mr. Speaker, the fourth representative of the MLC (Midwestern Legislative Conference) today is Representative Robert Tomlinson who sits for district 24 in the Kansas State House. Sits as a Republican, Mr. Speaker. His home address is Roland Park, Kansas, which I believe is a part of Kansas City area. So he's not too rural.

His occupation prior to being elected, or currently perhaps, is a special services teacher. And he's here, I believe, with his wife Carol, Mr. Speaker. And I would ask that all members welcome Representative Tomlinson to the House today.

Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Thank you, Mr. Speaker. I too would like to welcome our special guests. I had the opportunity to visit with them in our home last night along with spouses and Ilene who is their hostess. And so we're very pleased to have you here in the legislature.

But, Mr. Speaker, I rise to introduce some other very special guests who are seated in the west gallery. And I have with me today my parents, Tom and Randi Nilson. I'd ask them to stand. Along with my mother's sister, Gertrude Satre and Curtis Satre who are here. Please stand. And then Curtis's sister Eunice Gulbraa and Karl Gulbraa and Ralph and Lilly Erickson.

My parents live in Regina but the other six live in Irma, Alberta, which is not too far from Saskatchewan. And they are on a trip this year to celebrate 50 years of marriage. So the six of them that are visiting from Alberta have all been married 50 years. My parents have been married 51 years.

And 50 years ago the six of them took a trip to Seattle, Washington to the Luther League Convention. And they decided, to celebrate that trip that they took together as six, they would come to Saskatchewan. And they spent a couple of very nice days in Moose Jaw and now they're going to go out into Qu'Appelle Valley.

So we'll ask all to welcome them.

Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, I'd like to introduce to you and through you to the members of the legislature, a constituent of mine, Roger Kaeding, in the east gallery. Roger and his son, Warren, own and operate Wagon Wheel Seed farms at Churchbridge.

So I would ask everyone to welcome them here today.

Hon. Members: Hear, hear!

Mr. Wartman: — Thank you, Mr. Speaker. I would like to welcome and have you . . . introduce to you and to the members of this Assembly, 77 students from St. Angela School, who are in the west gallery. St. Angela is in the northwest corner of my constituency. And they're accompanied by teachers Mr. Walker, Mrs. Burant, and Mademoiselle Dube. Chaperones accompanying them are Mr. Oglivie, Mrs. MacFarlane, Mr. Cascanette, and Mrs. Theresa Colburne.

So I would like to welcome them here, and I'll look forward to meeting with them later. And I hope that they enjoy their time in the Assembly this afternoon. Join me in welcoming them, please.

Hon. Members: Hear, hear!

Hon. Ms. Hamilton: — Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to all members of the Assembly, 14 adult education students seated in your gallery, Mr. Speaker, on the east side. The students are from SIAST (Saskatchewan Institute of Applied Science and Technology), and they're accompanied today by teachers Warren Gervais and Linda Holowaty.

Mr. Speaker, they're here to watch the proceedings, with interest look at question period. I'll be able to meet briefly with them and have a photo on the stairs following that, and I'm sure they might have a few questions for me at that time.

I'd ask all members to give a warm welcome to the adult students from SIAST.

Hon. Members: Hear, hear!

Hon. Mr. Belanger: — Thank you, Mr. Speaker. To you and through you I want to introduce a guest in your gallery. The guy's name is Mervin Leonard "Tex" Bouvier. He is from Ile-a-la-Crosse. And his father and I were very good friends and I hope to continue on that friendship with him through his son.

And Mervin travelled all the way from Ile-a-la-Crosse to be part of the Assembly today, and he's a very avid spectator of politics, and this is his first opportunity to visit the Assembly. And I'd ask all members to join me in welcoming Mr. "Tex" Bouvier of Ile-a-la-Crosse.

Hon. Members: Hear, hear!

(13:45)

The Speaker: — Members of the Assembly, by leave of the Assembly, I would also like to welcome our guests, visiting representatives from Iowa, Kansas, and North Dakota, and three

special guests who are in the Speaker's gallery.

First I'd like to introduce to the Assembly, Ileen Grossman, who was the assistant director for planning and development for the midwestern office and has come here with the representatives. She manages the 12-state Midwestern Governors' Conference, and staffs the Midwest Canada Relations Committee for the Midwest Legislative Conference.

And seated beside Eileen are two spouses of two the representatives who are doing job shadowing today, and I ask you welcome, Mrs. Kay Jenkins from Iowa, and Mrs. Diana Skarphol from North Dakota.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

National Public Service Week

Ms. Harpauer: — Thank you, Mr. Speaker. Mr. Speaker, June 10 to 15 is National Public Service Week across Canada, and I ask all members of the House to recognize the many valuable contributions made by the public service sector.

Mr. Speaker, the theme of this year's of National Public Service Week is "Proudly Serving Canadians" and here in Saskatchewan we are fortunate to have an extremely dedicated public service sector.

Unfortunately, Mr. Speaker, while the rest of Canada's public service employees celebrate their achievements, there's quite a different story unfolding here in Saskatchewan. We were all watching events unfold after Saskatchewan's 14,000 CUPE (Canadian Union of Public Employees) health care workers were forced into job action this past weekend.

Mr. Speaker, we know that the impact of this job action will undoubtedly be felt in every corner of the province. We also know that this workers do not want things to come to this.

For years they have been saying the working conditions could not continue as they were, that something needs to be done. They want a firm commitment that their government would not only recognize their concerns but would also act upon them.

Mr. Speaker, as Canada celebrates Public Service Week here in Saskatchewan, we remain hopeful that the current job action will not be lengthy and that the government recognizes the many important and valuable contributions made by our public service employees.

Thank you.

Some Hon. Members: Hear, hear!

Tourism Saskatchewan and SaskTel Mobility Partnership

Mr. Yates: — Thank you, Mr. Speaker. As members know, we are entering tourism season and last week members of the Assembly took part in debating a motion recognizing the importance of the tourism industry to our economy. We recognize the importance of this industry to our province and as

a government we tend to build upon its many successes. This is why I am pleased to say that there is more good news for Saskatchewan, Mr. Speaker.

Thanks to a new partnership between Tourism Saskatchewan and SaskTel Mobility, residents of and visitors of this great province of ours can get news about the tourism industry delivered to the palm of their hands, Mr. Speaker. As of today, Saskatchewan tourists can now use their cellphones to call up information on more than 2,200 of Saskatchewan's special events. This was able to be achieved through the use of SaskTel Mobility's new mobile browser product. The browser provides wireless Internet access and two-way e-mail over digital cellphones, Mr. Speaker. It will allow SaskTel Mobility subscribers to access Tourism Saskatchewan on-line events guide.

Mr. Speaker, we have a dynamic tourism industry in Saskatchewan. This new initiative will help us to get the word out to the people of Saskatchewan that it is a vibrant province and it is a happening place, and it is the place to be. Now if only the opposition could admit it.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Kiwanis International Peace Care and Rededication at Monchy

Mr. Huyghebaert: — Thank you, Mr. Speaker. Mr. Speaker, yesterday I had the privilege, along with my colleague from Swift Current, to attend the Kiwanis International Peace Care and Rededication at Monchy, which is a border crossing in my constituency.

Over 100 people attended the ceremony, which is sponsored by the Kiwanis clubs of Swift Current and Malta, Montana. The idea for peace markers came from the construction of the Harding International Goodwill Memorial, erected in 1925 in Stanley Park. In his last public address before his death, President Harding stressed the spirit of friendship between Canada and the United States. Part of his speech, he said:

What an object lesson of peace is shown by our two countries to all the world. Our protection is our fraternity, our armour is our faith.

Mr. Speaker, the inscription on the cairn reads as follows:

This unfortified boundary line between the Dominion of Canada and the United States of America should quicken the remembrance of the more than a century old friendship between these countries.

A lesson of peace to all nations erected by the Kiwanis Club of Malta and Swift Current, Kiwanis International, October 13, 1957, rededicated June 2001.

Mr. Speaker, it was an excellent ceremony, dampened only by a small shower. But what really dampened the day was the folks that had to drive down Highway 4 to get there. It was a total embarrassment.

Mr. Speaker, our American friends tell us that at least two people per week turn back because of that highway being so bad.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Broadway Theatre in Saskatoon Receives Funding

Hon. Ms. Atkinson: — Mr. Speaker, on a more positive note, for those who are familiar with the city of Saskatoon, you will know that the Broadway area in my constituency is recognized for its diversity, its history, and its character. Broadway is the place to be if you want to enjoy the fabulous Fringe Festival, participate in a poetry slam, take in a live performance of music at various genres, or simply enjoy a great dinner in one of our many fabulous restaurants.

At the heart of this unique community is the Broadway Theatre. This theatre is a community-owned venue for the performing and literary arts, for independent film and repertory film. And it's one of the only 12 remaining independent cinemas in all of Canada.

Last Friday I was pleased on behalf of the Government of Saskatchewan to present the Friends of the Broadway Theatre with a \$300,000 grant. This money which comes from the Centenary Fund will go towards a new stage and dressing rooms that will make the Broadway Theatre an even better place for live performances.

And I want to mention that The Saskatchewan Heritage Foundation is also providing funding toward replicating the theatre's historic marquee, the building's most prominent and visible feature.

I want to take this opportunity to thank the group that was instrumental in the revival of the theatre, Chris Jones and the Friends of the Broadway, for all of the work they've done to keep this important facility in our community.

The Broadway Theatre is truly an important part of Saskatoon's cultural and artistic heritage and community, and I want to thank the Friends of the Broadway for all that they do to make Saskatoon a wonderful place to live and work.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Seniors Health Care Facility Opens

Mr. Hart: — Thank you, Mr. Speaker. Last Wednesday the Minister of Health and myself attended the official opening of the new Golden Acres integrated health care facility in Wynyard.

I should mention, Mr. Speaker, that the reason the Minister of Health was able to attend is that I had earlier made a commitment to be there so that I would be absent from the House the same time as he was — a commitment that I made and I honoured.

The new Golden Acres facility cost \$8.3 million and consists of a 55-bed long-term care home which was attached to the existing hospital, making use of the expanded kitchen and laundry facilities at the hospital.

Golden Acres home boasts the state-of-the-art design in monitoring features, which provides a pleasant and secure environment for its residents. Residents of Wynyard and surrounding municipalities along with the villages of Dafoe and Leslie, the stakeholders, worked tirelessly to raise funds and coordinate plans so that Golden Acres could become a reality.

The Department of Health contributed 65 per cent of the cost, and the stakeholders came up with the additional 35 per cent. However the stakeholders had to assume 100 per cent of the cost for such things as paving, landscaping, and furnishings.

The people of Wynyard and area are to be commended for their efforts so that their seniors can spend their last years in comfort and dignity.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Opening of Moose Jaw Portion of Trans Canada Trail

Hon. Mr. Hagel: — Mr. Speaker, there are already dozens of good reasons to visit the city of Moose Jaw, but as of yesterday there's another one to go along with our tunnels, our downtown murals, our multicultural motif, our festival of the written word, our museums, galleries and shops, and our excellent spa and fine restaurants.

Yesterday at the Kiwanis River Park I was proud to take part in the official opening of the Moose Jaw and area portion of the Trans Canada Trail, the national project that is creating a hiking and cycling trail across Canada from sea to sea. The Moose Jaw trail will connect with the Devonian and Rotary trails already in our city, along with new trails in and around Wakamow Valley.

Future plans call for extending the trail south to 15 Wing Moose Jaw, and north to Buffalo Pound Lake.

It's very interesting, Mr. Speaker, that with this trail which will link us with Corner Brook, and Port Alberni and Yellowknife, we are revisiting and renewing history. We began with foot trails and waterways to cross the land. And then came the railroad, then the Trans-Canada Highway, and now we're back again to the trail. The better to rediscover this great nation, I believe.

I want to congratulate the many volunteers of the Moose Jaw and area Trans Canada Trail Committee who worked with Chair, Arnold Giddings, and secretary, Mary Field. As is so often the case in Saskatchewan and in Moose Jaw, volunteers led the way. The opening of this trail was because of their work and to their credit. They are helping Canadians, literally, Mr. Speaker, walk together right across this great land.

Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

Davidson Resident Receives Saskatchewan Association for Community Living Honorary Lifetime Membership

Mr. Brkich: — Thank you, Mr. Speaker. I'm proud to rise in the House today to talk about a constituent of mine who resides in Davidson. Mrs. Marg Thompson was recently awarded an honorary lifetime membership to Saskatchewan Community Living. The association made this announcement at a special ceremony in Prince Albert a few weeks ago.

Mr. Speaker, Mrs. Thompson was a driving force in starting the Davidson and district branch of the Association for Community Living back in 1965. She's been involved in this association at both the local-provincial levels ever since.

She was instrumental in starting the Davidson Interlake Agency, as well bringing the fundraising capacity of the Saskatchewan Institute on Community Living to the district.

Mr. Speaker, Saskatchewan Association for Community Living's goal is to create a world where all people with intellectual disabilities are full citizens, valued, and included.

Mrs. Thompson has been dedicated to this goal for many years. The commitment and dedication that she's given to this association over the years is outstanding.

Mr. Speaker, I ask the members to join me in congratulating Mrs. Marg Thompson on her lifetime of dedication and service to the people of the community.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Strike by Health Care Workers

Mr. Gantefer: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Health.

On Friday, Statistics Canada exposed the worst job creation crisis in Saskatchewan since the great depression. Ten years with the NDP (New Democratic Party) flying the plane, has plunged Saskatchewan into an economic death spiral, and the Premier doesn't appear to have a plan for pulling us out.

And then on Saturday morning Saskatchewan woke up to even more grave evidence the NDP has lost control — 14,000 health care workers, licensed practical nurses, laboratory technicians, kitchen, and janitorial staff were on strike in health facilities across Saskatchewan.

And this morning it appears that SAHO (Saskatchewan Association of Health Organizations) and the unions aren't even talking to each other any more.

Mr. Speaker, what action is the minister taking today to get SAHO and the union back to the bargaining table?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Thank you, Mr. Speaker. The top priority of the government is the health and safety of the patients, and

we will continue to monitor that on a regular basis, hourly if necessary.

What has happened over the weekend is that there has been job action. The parties were talking yesterday about getting a new conciliator or mediator. That process is ongoing. And we hope that there will be some announcement by the parties later today.

Mr. Gantefer: — Mr. Speaker, this NDP government appears to be stumbling blindly from one crisis to another. Now 14,000 health care workers are on strike. And most people in Saskatchewan aren't holding out much hope that this NDP government can handle the crisis.

After all, it was Louise Simard and her sidekick the Premier who started the now failing health care reforms in 1993. And it's Louise Simard and her sidekick the Premier who are now in charge of cleaning up the mess they themselves created.

Some Hon. Members: Hear, hear!

Mr. Gantefer: — Mr. Speaker, what specific steps other than talking and discussing and having more committee meetings is the minister taking to restore health care stability in Saskatchewan. What actions is the government taking concretely to get SAHO and the union back to the bargaining table?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — What we know is in the '95 election and the '99 election, the people of this province said we trust you with our number one priority, and that's the health system.

We on this side of the government are here and we are going to work together with the workers, with the management, all the people, to provide the health care that people need.

And what I would remind the member opposite is that in their platform in the '99 election, they came forward with zero increase for health. We have provided extra money for health and we're going to continue to provide good health care for the people of the province.

Some Hon. Members: Hear, hear!

Mr. Gantefer: — Mr. Speaker, for the minister's memory, in 1999 the majority of Saskatchewan people voted to give the NDP the boot.

Some Hon. Members: Hear, hear!

Mr. Gantefer: — Mr. Speaker, the Premier should be very familiar with the reason for the strike by 14,000 health care workers because he was taking notes . . .

The Speaker: — Let there be some peace.

(14:00)

Mr. Gantefer: — Thank you, Mr. Speaker. Mr. Speaker, in fact it was the Premier who followed Louise Simard around Saskatchewan reassuring everyone that the NDP so-called

wellness model would save our health care system. Today the NDP is presiding over a health care system crippled by that leadership — a massive health care strike, a critical shortage of doctors and nurses, the longest waiting lists in Canada.

Mr. Speaker, is that what the Premier meant when he travelled around in Saskatchewan promoting health care reform, saying trust us and the system will get better? Well, Mr. Speaker, it's gotten worse.

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, I didn't really detect a question there, but what I will say is that on this side of the House we're concerned about people, we're concerned about the people in the long-term care homes that need help. And we ask both parties to come back to the bargaining table and to get this matter resolved.

It's unfortunate that the member opposite and his colleagues have unbridled glee in the fact that people are out on strike. That is not the kind of support that the public needs as it relates to labour issues. Because basically what we have is a process whereby people can resolve their difficulties, and we accept the fact that they can take some steps that are appropriate in our labour legislation.

But ultimately the goal is to come up with a solution that allows all of the workers to provide the kind of care that all of our people in Saskatchewan need.

Some Hon. Members: Hear, hear!

Mr. Gantefer: — Mr. Speaker, Mr. Speaker, the more things change, the more they stay the same. Eight years ago the Premier got stuck carrying Louise Simard's bags, and now eight years later the Premier is stuck with her baggage. It's no wonder the NDP has 14,000 health care workers on strike. After eight years of failed NDP health care reform, health care providers are overworked and many have reached the breaking point. They're tired of being ignored and taken for granted by the NDP.

Mr. Speaker, will the Premier admit it was NDP mismanagement of health care that has led to this strike, and will he share with the legislature what he plans to do to fix the mess that he and his NDP government has created?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, the people of Saskatchewan have entrusted us with managing the health system, and we are going to do that in a way that provides the care that people need.

We know that the members opposite had proposed some ways of dealing with this, which would have been an absolute disaster in the province. We know that the people of Saskatchewan know that as well. What we will continue to do is work with all of the people within the system. We know that there's a dispute right now.

We're requesting that the parties get back to the bargaining

table and resolve the issues that are outstanding. There are many people that require assistance and we would ask that they resolve their dispute as quickly as possible.

Some Hon. Members: Hear, hear!

Mr. Gantefer: — Thank you, Mr. Speaker. Mr. Speaker, Saskatchewan is in the middle of a full-blown health crisis.

The Regina Health District has closed almost 200 beds, 14 operating theatres have been closed, and all elective surgeries have been cancelled.

There's no glee for out-of-scope employees, no glee for health family members, no glee for volunteers who are doing their best to try to make a dangerous situation from getting out of control.

Mr. Speaker, it's people on waiting lists and our senior citizens that are paying the highest price, and it's long-term care facilities for seniors that'll have the most difficulty coping with this strike.

Mr. Speaker, what is the Premier doing to address the reality that if family members, volunteers, and out-of-scope managers become increasingly fatigued that the critical needs of our senior citizens are not going to be easily met?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, I appreciate that the member opposite acknowledges all of those people who are going an extra mile in this time to care for those people who need help.

And I would like to specifically thank those members of CUPE who, through the union, have agreed to provide essential services. That's a very important part.

I'd like to thank all of those managers who are working the extra shifts. I'd like to thank the family members and friends and volunteers who have come in to help and provide care for people in this situation.

What we need to do is continue to monitor this situation. We also need to encourage the parties to get back to the table and resolve their dispute so that they can continue to provide good care for all of the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, while the minister sits and watches, it's no thanks to the leadership of this NDP government that's paralyzing the whole health care system.

Today, we are witnessing health care professionals struggling to cope with a workplace that is becoming increasingly a danger to not only the patients but also is becoming a health hazard to the workers themselves. High burnout rates. High workers' compensation claims. These are the issues that lead to the nurses' strike in 1999 and they haven't changed since.

The bottom line is that Saskatchewan is suffering from a shortage of health care professionals and those who are

struggling under unbearable working conditions are the only ones left.

Mr. Speaker, in light of his own record, what can this Premier say to health care workers that will have them believe that his NDP government will understand their issues any more today than he did in 1998 in the health care nurses strike?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, there were many things that this government did in the early '90s that have paid off in some very good things that happened in our health care system. They've actually been emulated across the country.

We know that for example Saskatoon was number two after Edmonton as the health district and health area that, in the latest *Maclean's* poll, that were providing very good care. One of the reasons for that is that both of those places are organized along the lines of what was first proposed in Saskatchewan with integrated care.

What we need to do is continue to work with and support those workers who are part of the system. Right now we have a labour dispute. We encourage the parties to get back to the table, so that they can resolve their issues so they can go back to being a team that provides the care for the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Job Losses in 2000-01

Mr. Hermanson: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Premier.

Mr. Speaker, thanks to NDP mismanagement we now have a full-blown health care crisis in Saskatchewan. And also thanks to NDP mismanagement, we have a full-blown economic crisis.

Over the past 12 months, NDP mismanagement has killed 21,000 jobs — 21,000 jobs. That's the worse one-year job loss in Saskatchewan history. Mr. Speaker, thanks to the NDP government, Saskatchewan is in an economic death spiral with no plan for recovery.

My question to the Premier: what is the Premier doing to pull Saskatchewan out of this economic death spiral?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Thank you very much. Mr. Speaker, the member opposite is quite convinced that there is a death spiral, as he refers to it.

I want to say, Mr. Speaker, that there's no secret that we have a difficult situation here in Saskatchewan with respect to agriculture, which is where the bulk of the job losses have been. That member opposite knows that our farming community has been competing on a niche international market, where subsidies are the order of the day, with no support from our national government. This has been a trend that's been growing and we knew it was coming — Mr. Speaker, it's here.

So what we need to do and what we are attempting to do is work to diversify this economy, Mr. Speaker.

And I want to say to that member, the fact that we lost some 16,800 jobs, year over year, in Saskatchewan, is not unique to this province. The neighbouring community of Alberta lost 14,800 . . . or 400 jobs in that same time period. But I think it's important to realize that agriculture is a larger percentage of our economy here.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Thank you, Mr. Speaker. How sad that the minister would make excuses rather than offer to roll up his sleeves and go to work on behalf of our people.

Saskatchewan's economy has experienced tough times in the past, but no government ever in Saskatchewan has killed 21,000 jobs in a year. And now jobs are even being lost outside of the agriculture sector. The Blakeney government never did that, the Devine government didn't, and nor did the Romanow government lose 21,000 jobs in a year.

It's this Premier and his government that has the record of a shameful disaster of 21,000 jobs lost. Mr. Speaker, Saskatchewan people have lost all confidence in this NDP government to create jobs and to grow our economy.

Will the Premier admit that his economic policies are failing and will the Premier admit that his policies are killing jobs all across Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Mr. Speaker, I want to just use a demonstration and illustration as to how the members use numbers. This month over last month there were 10,000 more people employed in this province. The Saskatchewan Party's spin the other day was that 15,000 jobs were lost between the election of 1999 and now. Now if you use those same numbers, which are not seasonally adjusted, the province gained nearly 10,000 jobs last month compared to the month before.

But I want to say, Mr. Speaker, numbers are numbers. We know the areas of our economy where we have difficulty. There were 60,000 jobs lost in Canada in agriculture in the time frame where we lost 16,800. Now, Mr. Speaker, other . . .

The Speaker: — Order, order, please. Order, order.

Hon. Mr. Lautermilch: — Mr. Speaker, there was an increase in non-agricultural jobs of nearly 11,000. Now I want to say to members opposite, we're working with the business community, with the working people of this province to grow and to diversify this economy. And I tell you, Mr. Speaker, it'll never know growth based on the gloom and doom from those folks.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Thank you, Mr. Speaker. Mr. Speaker, it's painful to listen to the minister try to argue with Statistics Canada on the numbers that speak volumes about what this

government is doing.

Why isn't the minister asking, why are we losing so many jobs? I believe, Mr. Speaker, it's because this Premier believes in big government, this Premier believes in Crown corporations competing with the private sector, and now these policies are killing business confidence and killing jobs all over Saskatchewan. As I said, 21,000 jobs lost in the past year — gone because of NDP mismanagement.

Mr. Speaker, it's now painfully clear that the Premier's policies are failing the province of Saskatchewan. It's painfully clear that the NDP's policies of big government is killing jobs in our province.

My question is: what specific steps, what concrete things are the Premier doing to pull Saskatchewan out of this economic death spiral that he's placed us in?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, last week in this city I was in the presence of approximately 300 community and business leaders as we together, Mr. Speaker, unveiled the Partnership for Prosperity — an economic plan with targets, with action steps, to accomplish exactly what the Leader of the Opposition calls upon us to do.

But we're doing this, Mr. Speaker, in partnership — in partnership with Saskatchewan business people, in partnership with Saskatchewan co-operatives, in partnership with Saskatchewan Aboriginal people.

The only people, Mr. Speaker, who do not want to seem to be part of the partnership in making this province grow and prosper, are the members opposite.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Thank you, Mr. Speaker. Mr. Speaker, attendees at these meetings who are not employees of the Government of Saskatchewan tell me how disappointed and skeptical they are with the Premier's so-called plan, because the facts speak differently.

Housing starts in Saskatchewan are down 50 per cent, and why? Well CMHC (Canada Mortgage and Housing Corporation) says it's a direct result of weak job creation in the province. And now just this morning we learned that Regina Revelstoke . . . Regina Revelstoke is closing the doors for good and laying off 40 more people.

So fewer jobs mean fewer housing starts; fewer housing starts means Revelstoke has to close; Revelstoke having to close means more jobs lost again. That's the cycle, Mr. Speaker.

The Speaker: — Order.

Mr. Hermanson: — Thank you, Mr. Speaker. That's the cycle, the death spiral we're talking about, that has been created by this NDP government.

Mr. Speaker, this Premier's mismanagement of the economy

has plunged Saskatchewan into an economic death spiral. One tragedy after the other. How is he going to change his ways to get us out of this mess?

Some Hon. Members: Hear, hear!

(14:15)

Hon. Mr. Calvert: — Mr. Speaker, year over year, this year compared to last year: department store sales in this province up 8.2 per cent; the value of building permits up in this province, year over year, 33.2 per cent; new vehicle motor sales up 4.9 per cent; oil production up 3.6 per cent; mineral production up 15.2 per cent; new business incorporations 4.7 per cent; the value of manufacturing shipments up 3.8 per cent.

Retail sales are up, the help wanted index is up, the social assistance caseloads are down. I'll tell you, Mr. Speaker, the only thing in a death spiral is the popularity of that party.

Some Hon. Members: Hear, hear!

First Nations Fund

Ms. Julé: — Mr. Speaker, Mr. Speaker, my question is for the Minister of . . .

The Speaker: — Order, order.

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Aboriginal Affairs.

On Friday, Chief Perry Bellegarde of the FSIN (Federation of Saskatchewan Indian Nations) dismissed the Provincial Auditor's concerns about the \$34 million in the First Nations Fund was spent . . . that was spent over the last four years.

He said the money in the fund is not public money and it's not the auditor's business how that money is spent. Well, Mr. Speaker, the Provincial Auditor disagrees. In fact so does the provincial legislation that establishes the First Nations Fund. That Act specifies that the proceeds of gambling are to be spent specifically on the economic and social development of First Nations people.

Mr. Speaker, does this minister support the Provincial Auditor that the proceeds of gaming directed to the First Nations Fund is public money? Or does the minister agree with Chief Bellegarde that the money is not public and doesn't fall under the Act?

Some Hon. Members: Hear, hear!

Hon. Ms. Lorjé: — Thank you very much, Mr. Speaker. As I said in the House on Thursday, as I repeated again on Friday, and I will say again today; this government, and my department specifically, accept the findings of the Provincial Auditor. We will be working with the FSIN, with the First Nations Fund, to ensure that the money is accounted for.

That, it seems to me, Mr. Speaker, is the germane question. Will this money be accounted for? And we will ensure that the money is properly accounted for.

Mr. Speaker, the Provincial Auditor said that there were inadequate rules and procedures in place. We accept that finding. We are working with the First Nations Fund to ensure that adequate accountability procedures are put in place. Thank you.

Some Hon. Members: Hear, hear!

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, the minister told the media on Friday that she thought the debate over whether or not the money in the First Nations Fund is public wasn't relevant. But it is very relevant because if she doesn't think it's public money what confidence does this legislature have that the minister will comply with the Act? How can we in this legislature believe that the minister will ensure accountability and that this money will be spent as directed in the legislation?

There is already \$34 million unaccounted for because the NDP government didn't allow for the Provincial Auditor to look at funds for four years. Mr. Speaker, \$34 million can't be accounted for and the minister is refusing to take this issue seriously.

So, Mr. Speaker, will the Premier, will the Premier answer to the taxpayers and to First Nations people? Will the Premier stand today and take responsibility for determining if the proceeds from the First Nations Fund have been spent according to the Act?

Some Hon. Members: Hear, hear!

Hon. Ms. Lorjé: — Mr. Speaker, as the minister responsible I will once again reiterate — if that's not a redundant phrase in the English language — I'm going to say again, this government is on the side of accountability. This government accepts the findings of the Provincial Auditor and this government is acting on the findings of the Provincial Auditor.

We will be meeting very shortly with Chief Perry Bellegarde. As a matter of fact I have in my hand here a letter dated June 11 from Chief Perry Bellegarde . . . (inaudible interjection) . . . Oh, the member opposite asks what year? Have we descended to that kind of silliness here in the House? Of course you know the year is 2001.

I'm sorry, Mr. Speaker, I should be addressing my comments through you. The letter is dated today. And Chief Bellegarde is asking for an early and immediate meeting with me.

Some Hon. Members: Hear, hear!

Ms. Julé: — Mr. Speaker, this morning we've heard about how this Premier's involvement in the health care system has led to massive labour unrest. We've heard about this Premier's bleak economic record — 21,000 jobs lost in the last year.

And now we find that this Premier — this Premier — who once led protest against legalized gambling but now endorses it, will not stand up and take responsibility for an act of this legislature, an Act that his government put in place. The Premier will not take responsibility for his minister and he won't take responsibility for the loss of \$34 million that should be going to

helping First Nations people in this province.

Mr. Speaker, this government is spineless. Will the Premier — will this Premier get some backbone and deal with these issues? Will this Premier immediately call for a public inquiry into the management of the First Nations Fund to clear up this issue once and for all?

Some Hon. Members: Hear, hear!

Hon. Ms. Lorjé: — Thank you very much, Mr. Speaker. I have said, and again I repeat, this government is on the side of accountability. Look at our record for the last nine years, Mr. Speaker. We believe in public accountability, unlike the members opposite. We're cleaning up the mess left by the \$15 billion debt that they created. Mr. Speaker . . .

The Speaker: — Order, order. Order.

Hon. Ms. Lorjé: — Mr. Speaker, we have received the Provincial Auditor's report and we intend to act on it. We will be holding meetings this week with the FSIN, with the First Nations Fund. We will be acting on the Provincial Auditor's report.

We are on the side of accountability, Mr. Speaker, and that, I think, is the important issue in this House.

Some Hon. Members: Hear, hear!

ANNOUNCEMENTS

Introduction of Page

The Speaker: — Members of the Assembly, I just wish to inform the Assembly that Graham Condo who is a staff person with the Legislative Library, will be assisting with page duties as required today.

ORDERS OF THE DAY

WRITTEN QUESTIONS

Mr. Yates: — Thank you, Mr. Speaker. I'm extremely pleased today to stand and table the response on behalf of the government to written question 223.

The Speaker: — The response to 223 is tabled.

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 55 — The Miscellaneous Statutes Repeal (Regulatory Reform) Act, 2001

Hon. Mr. Axworthy: — Thank you, Mr. Speaker. I rise today to move second reading of The Miscellaneous Statutes Repeal (Regulatory Reform) Act, 2001.

The purpose of this Act is to repeal seven statutes that are no longer required. Mr. Speaker, I'll briefly describe each of the statutes being repealed.

First, The Estate Tax Rebate Act, 1969 provided a rebate of estate taxes which were levied by the federal government and then transferred to the province. These federal estate taxes were eliminated in the early 1970s. Since estate taxes are no longer levied, rebates are no longer necessary, and this Act may be repealed.

Second, The Estate Tax Rebates Reciprocal Arrangements Act, 1970 allowed the province to enter into an arrangement with Alberta under which each province reimbursed the other for estate tax rebates paid to their residents in respect of property situated in the other province. Since estate taxes are no longer levied, and rebates are therefore no longer provided, Mr. Speaker, the arrangement with Alberta is defunct, and this Act may also be repealed.

Third, The Industrial Towns Act applied special provisions to towns, villages, and northern villages, that were designated as industrial towns. Under the Act, the physical development of an industrial town was to be regulated. Mr. Speaker, this Act has not been used for many years.

Fourth, Mr. Speaker, since 1997 Wascana Energy has been a wholly owned subsidiary of Nexen Inc. formerly Canadian Occidental Petroleum. The Wascana Energy Inc. Act contains provisions that do not apply to other oil and gas exploration companies, and make Wascana Energy less competitive with such companies. Now that the Saskatchewan government has no ownership of the company, it's appropriate to repeal this Act also.

Fifth, Mr. Speaker, we have The Crown Foundation for District Health Boards Act. This Act was passed in 1996 to address discrepancies between the tax credits donors could be given if donations were made to non-profit charitable organizations versus Crown foundations.

However, after the Act received assent, changes to the Federal Income Tax Act made the legislation unnecessary. The Act became redundant, was never proclaimed, therefore, Mr. Speaker, the repeal of this Act is now recommended.

Sixth, Mr. Speaker, The Rural Telephone Act will be repealed. This Act, passed in 1908, was the legislation by which rural telephone companies were set up in rural Saskatchewan. As technology advanced, these companies began to be assimilated by SaskTel.

Mr. Speaker, the last rural telephone company was assimilated in 1990. Therefore, The Rural Telephone Act is no longer used and may be repealed.

Finally, Mr. Speaker, The Ancillary Dental Personnel Education Act will be repealed. This Act was passed in 1972 to respond to a shortage of qualified dental assistants. The Act allows the Minister of Post-Secondary Education and Skills Training to make arrangements to provide for education of these personnel.

However, Mr. Speaker, dental assistants are now governed under their own Act, The Dental Disciplines Act and the Saskatchewan Institute of Applied Science and Technology, SIAST, currently provides accredited programming to meet the

need for education of dental assistants. The legislation is therefore no longer required.

Mr. Speaker, I move second reading of an Act to repeal miscellaneous obsolete statutes.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. On a point of order, please.

The Speaker: — Would the member state his point of order?

Mr. D'Autremont: — Thank you, Mr. Speaker. Mr. Speaker, during question period, the minister for Indian gaming, Aboriginal Affairs, Mr. Speaker, quoted from a letter. I wonder if she would table that please as per House procedures?

Hon. Ms. Atkinson: — To the member's point of order, I can advise the House that the member did not quote directly from a letter. She referred to a letter, the date in the letter, but she did not quote directly from the letter and therefore I don't think it has to be entered into the House. And there has been a previous ruling on these kinds of matters.

The Speaker: — I thank the member for his point of order and I thank the Government House Leader for her response.

I will check the record to see if the member did quote specifically. If the member did quote, she will be asked to bring in the letter.

(14:30)

Mr. D'Autremont: — Thank you. Mr. Speaker, on the Bill, on Bill No. 55, Mr. Speaker, this is a wide-ranging omnibus Bill designed to repeal a number of Acts that this government has either found to be not needed or are trying to bury by passing this in an omnibus Bill, Mr. Speaker. And I can certainly understand why they would do that with some of these particular Bills.

One that strikes me, Mr. Speaker, as being very interested . . . interesting and that they would try to bury would be the district health foundations Act. This was an Act that was very unpopular, Mr. Speaker, across this province when the government brought it in, in 1996. They knew that it was controversial, but they were bound and determined, Mr. Speaker, to get their hands on the money that had been donated across this province to the various union hospitals and district hospitals.

There was money put in place, Mr. Speaker, by the communities through fundraising of various sorts — potluck suppers, Christmas tree light, buy a brick at your local facility — various kind of situations, Mr. Speaker, that the people of the communities felt were very important to be able to deal with to provide health care services in their own communities, Mr. Speaker.

They donated bequeaths from estates. People would simply make a donation in the case where someone in their family had been ill and had recovered in the hospital, because they

understood and knew what was important for their communities — and that was to have health care services available.

Over time, Mr. Speaker, these donations, these foundations that had been set up collected considerable amounts of money, Mr. Speaker. There was hundreds of thousands of dollars in communities across Saskatchewan set aside for health care services in those areas, Mr. Speaker. This government saw that that money was sitting there and they were bound and determined to get it. Not to provide health care, Mr. Speaker, in the district where the money had been collected, but rather, Mr. Speaker, to spread it someplace else across the province.

So I can certainly understand, Mr. Speaker, why this government would want to include that in the provision of this Bill, the repeal of miscellaneous obsolete statutes and enacted consequential amendments with respect to a statute being repealed.

It's certainly in here. I know that the members opposite — what is that member talking about; why is he dealing with this particular Act? Well, Mr. Speaker, I'm dealing with it because clause 3 of this Bill says, repealed:

The Crown Foundation for District Health Boards Act is repealed.

Now perhaps the former minister of Health doesn't remember that Act. I'm not sure if it came in when she was the minister of Health or if it was when the Premier was the minister of Health. But either way, Mr. Speaker, the people of Saskatchewan did not wish to support this Bill, Mr. Speaker, and that's why the government is sliding it out the door so that nobody knows that they are actually admitting that they were wrong, Mr. Speaker.

It really goes, Mr. Speaker, to the whole essence of this government: don't admit responsibility; even when you know you've made a mistake, bury it, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — There's a number of other areas, Mr. Speaker, where this very Bill does similar types of things. You know, you look at clause 4:

The Estate Tax Rebate Act, 1969 is repealed.

Well, Mr. Speaker, the previous implications of this government, when Allan Blakeney was in charge, they were bound and determined, just like this government, to get money wherever they could to run their pie in the sky programs, Mr. Speaker. Allan Blakeney was just about as bad as these guys, Mr. Speaker, when it came to buying up things for new Crown corporations. So they put in place, Mr. Speaker, a death tax. That's what it was, a death tax.

Well they could be taxing themselves now, Mr. Speaker, they're going down so fast.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Mr. Speaker, that's another one that they want to bury. Well first they wanted to tax people for being

buried; now they're just simply burying the Act, Mr. Speaker.

And I can certainly see, Mr. Speaker, why the members would want to repeal this Act, clause no. 6. It's certainly understandable in light of the economic development strategies of this government. It says, repealed, The Industrial Towns Act. I can certainly understand that, Mr. Speaker. These people have never developed an industrial town, Mr. Speaker, and that's why they're getting rid of the Act. There are none in Saskatchewan and they have no hope of ever developing one with these people in charge.

Now if they were to have a Bill for deindustrialization, that would apply, Mr. Speaker. With the number of people that are leaving this province, the number of businesses that are leaving this province, we should have a deindustrialization program.

Mr. Speaker, a large part of this Bill deals with the telephone Act in Saskatchewan. And I heard the member . . . the minister speak about there were no rural telephones left, Mr. Speaker. And he is coming close to the truth there. With people leaving this province, with businesses leaving this province, there will be no need for rural telephones. We need to turn this whole province around, Mr. Speaker, and be putting more communications into rural Saskatchewan, not doing away with the rural telephone system, Mr. Speaker . . . (inaudible interjection) . . . Yes, that was the 1969 barbed wire phone Act, Mr. Speaker.

Mr. Speaker, there's a number of other issues that are taking place here; a number of other Acts that are being repealed, various and sundry ones. They're obviously of no further use. In all likelihood a good many of them should never have been put on the books in the first place, Mr. Speaker.

But we need to take a look and just see how these are going to be affecting the people of Saskatchewan, Mr. Speaker; just what are the long-term implications. Therefore, Mr. Speaker, I would move adjournment of debate.

Some Hon. Members: Hear, hear!

Debate adjourned.

**Bill No. 54 – The Education Amendment Act, 2001/
Loi de 2001 modifiant la Loi de 1995 sur l'éducation**

Hon. Mr. Melnychuk: — Thank you, Mr. Speaker. I am pleased to outline the substance and purpose of these amendments to The Education Act, 1995. The amendments all deal with one specific topic and are required as a result of new provisions negotiated in the current provincial collective bargaining agreement for teachers.

Mr. Speaker, for many years the legislation has included provisions for what is called a board of reference. If a teacher's contract of employment is terminated by the employing board of education, the teacher is entitled to apply for the establishment of a board of reference to investigate the termination and to make a ruling as to whether the termination is legitimate.

The board of reference is an arbitration board consisting of one

member nominated by the teacher, one member nominated by the board of education, and a chairperson jointly nominated by the other two members. The legislation sets out all the necessary details with respect to the appointment of the board of reference, the board's jurisdiction, procedural matters, and avenues for appeal to the courts from a decision of the board.

Mr. Speaker, while teachers have access to a board of reference in cases where their contract of employment is terminated, they do not have access to any comparable process in cases where a teacher is the subject of significant disciplinary action by the employing board. To address this situation the parties to the collective agreement have agreed to the following new provision. And I quote:

Where a dispute arises between a board of education and a teacher with respect to disciplinary action involving suspension or formal reprimand of a teacher, the dispute may be submitted to a board of reference in accordance with the procedures that are set out in The Education Act, 1995.

The parties further agreed that any necessary amendments to the legislation required to implement this new provision would be introduced as soon as possible.

Mr. Speaker, the sole purpose of the amendments in this Bill is to make the changes required to implement the new provisions of the collective agreement that I have just outlined.

In essence, the existing sections of the Act that deal with boards of reference are broadened. Boards of reference now have clear, legal authority to investigate and rule on suspensions and formal reprimands in a similar manner to the way in which they currently deal with contract terminations.

Mr. Speaker, the specific amendments were drafted in close consultation with both the Saskatchewan Teachers' Federation and the Saskatchewan School Trustees Association and have the full support of both organizations.

I am therefore pleased to move, Mr. Speaker, that Bill No. 54, An Act to amend The Education Act, 1995 be now read a second time.

Some Hon. Members: Hear, hear!

Mr. Krawetz: — Thank you very much, Mr. Speaker. Mr. Speaker, it's a pleasure to rise today and debate Bill No. 54, the amendments to The Education Act.

As outlined by the minister, The Education Act has been in force since 1995, and at various times over the last six years there has been a need to address specific clauses to bring the Act up to date; to bring it into a position where it can accommodate changes made by the collective bargaining process, and to ensure that it is an Act that is there for, most importantly, the teachers, but also the students of this province.

Mr. Speaker, I note that the minister made reference a number of times to a phrase which he entitled formal reprimand. And I guess that's the most serious question that the opposition has, Mr. Speaker. While this Bill has only been introduced for the

first time to this Legislative Assembly on June 6, we have not had the opportunity to contact the various stakeholders for that interpretation.

Because when you look at the definition of formal reprimand — and I don't know that the minister has actually outlined that — I'm sure there are many teachers that are very concerned about that definition. In fact probably of greater concern to what is the definition of formal reprimand might be that to principals, to directors of education, and then finally the board of education.

Because I know, Mr. Speaker, having been in the education area yourself, formal reprimand . . . I'm sure you could imagine, Mr. Speaker, as I did, that there were times when the principal discusses with a teacher what kinds of things have gone on in a classroom, and I don't know whether they would be referred to as formal reprimands. They're not reprimands in a sense, but the interpretation of what is a reprimand might be there for question.

I'm sure the director of education has had numerous times to discuss with teachers their teaching patterns, their classroom management, and outline in a written form . . . Every teacher looks forward to a written evaluation. There are times when the director will point out things that the teacher should do differently. Mr. Speaker, is that a formal reprimand?

Now where I . . . Very clearly the definition of suspension is there. And the minister has indicated that teachers should have the right to a board of reference if there is a suspension, and of course we support that. We need to have greater clarification from the minister, Mr. Speaker, as to what is meant by formal reprimand.

Mr. Speaker, we also note that in the existing sections, there was a period of appeal that was outlined as being 15 days. And now we note that the date . . . that number has changed to 15, and there seems to be no explanation in the explanatory notes as to why we're moving from 15 to 20 days. Now I know the minister has made reference to the fact that these were negotiated conditions and that's why the Act is being changed and that's some explanation that we will eventually receive, I hope, from the Minister of Education.

The final point that the minister made was that both the Saskatchewan Teachers' Federation and the Saskatchewan School Trustees Association have been consulted and indeed they are supportive of all of the concerns and all of the clauses of this Bill. And I know in speaking with the critic for the opposition party, the member from Kelvington-Wadena, she in fact has assured me . . . assured me that she will be meeting with the SSTA (Saskatchewan School Trustees Association) tomorrow and will be speaking with the Saskatchewan Teachers' Federation to indeed obtain their responses directly to Bill No. 54.

So, Mr. Speaker, I've raised a number of small concerns about the Bill. Concerns that I think principals, directors, and probably even teachers have about whether or not this is indeed stating what they thought it would state. And we have to do proper diligence and ensure that the Teachers' Federation and the School Trustees Association are supportive of the Bill in its entirety.

So before I can say that the opposition is in favour of this Bill, we need to do some further consulting. And with that I will move adjournment of debate.

Debate adjourned.

(14:45)

Bill No. 53 — The Highways and Transportation Amendment Act, 2001

Hon. Ms. Atkinson: — Thank you, Mr. Speaker. I rise today to move second reading of a Bill to amend The Highways and Transportation Act, 1997. This Bill contains amendments that will help manage our roads in partnerships to provide better service to the travelling public.

Mr. Speaker, the new provisions allow for a system of truck route management. There's a public perception that road bans or haul restrictions are applied only in the spring. However, there needs to be weight restrictions at other times than in the spring. Weight restrictions should apply to different roads depending on different circumstances including the type of highway, frequency and weight of commodities being hauled, as well as road condition.

This amendment seeks to mitigate road damages by seeking partnerships with rural municipalities to re-route heavy trucks off of our thin-membraned highways onto gravel roads that can better accommodate that type of traffic. Our department in turn will be able to better sustain an acceptable level of service for light trucks and cars, including ambulances and school buses, on these thin-membraned surfaces.

I'd also like to emphasize that this is done in partnership with local governments. We only use the truck routes if the local municipalities agree that this is the best available solution for their transportation needs. This amendment demonstrates our province's commitment to maintaining a sustainable transportation system.

In these amendments we have also eliminated the need for shippers to maintain records relating to the shipping and receiving of goods. This is in response to concerns expressed by stakeholders during our consultative process. Our province believes these requirements are unnecessary and would have caused an undue hardship to small shippers such as agricultural producers.

As I've already stated, Mr. Speaker, our primary concern continues to be the protection of our transportation infrastructure.

We've added a number of minor changes to ensure that our citizens who are shipping goods do not knowingly overlook the weight of a vehicle and cause damage to our roads. After the legislation has changed, our officials will carry out information activities advising shippers that these changes are forthcoming.

Mr. Speaker, as well, the addition of the term, wrecker, has been included in the amendments. In 1997 the legislative provisions respecting the licensing of auto wreckers was removed from The Highway Traffic Act to The Highways and

Transportation Act, 1997.

Finally, Mr. Speaker, as a result of legislative amendments brought forward in The Land Titles Act, 2000, there was a consequential amendment. The Act also includes other consequential amendments to The Highways and Transportation Act, 1997.

Mr. Speaker, I'd be pleased to answer any of the opposition's questions during the Committee of the Whole stage.

I therefore move second reading of a Bill to amend The Highways and Transportation Act.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, I'm quite interested in this Bill here because I think it affects RMs (rural municipality) municipalities, all over the province.

And I'd like to read into the record for the municipal people that happen to be out there watching, or have the opportunity to see this, I'd like to read into the record some of the explanatory notes, Mr. Speaker, and I quote:

Under the department's strategic management plan, the department is proposing a better system of truck route management, including more use of trucking partnerships. This new section demonstrates the government's commitment to effective truck route management by eliminating the perception that roads only suffer damage in the spring. It also provides for the province and rural municipalities the opportunity to work together when designating truck routes.

Well, Mr. Speaker, I'd like to stop there a minute because it talks about highways and the government and the RMs working together. But I think what we're seeing here is the government passing the buck onto the local municipality to pick up the cost of providing roads for heavy truck traffic. Unless the minister can explain at a later time here when we get the opportunity to question the minister that that's not what they're doing here, Mr. Speaker, I am sure that's exactly what these explanatory notes are saying.

I'll go on further here, Mr. Speaker, and I quote:

However, in cases where the Minister of Highways and Transportation needs to reroute traffic or designate a truck route off a provincial highway in an emergency situation, subsection 35.1(4) provides that the minister with the ability to supersede an RM's refusal to approve an access to RM roads.

Now, Mr. Speaker, I think what we're seeing here is once again the government's saying that we know better and we will have the authority — no matter what you think about what we're doing, we have the authority to do it anyway. And I think, Mr. Speaker, we've said this many times before — that this government, this session especially, has shown where they feel that they're above the law. Well here what we're doing is bringing in a new law to say in essence, we will do what we want, it doesn't matter what you think.

I go on and I quote further, Mr. Speaker:

When rerouting traffic or designating truck routes, the maximum weight allowed would be what is permitted for primary highways.

Well now think about that, Mr. Speaker. These weights, according to the government and the Department of Highways, are too heavy for our secondary, thin membrane highways but they're not too heavy or too expensive for an RM to maintain when we pass the buck and push that truck traffic over to the RMs.

Mr. Speaker, another note that I thought of here too. Some small towns actually probably don't have a heavy-haul RM road into the town where they may only have a secondary highway in one end and out the other. So that old saying, you can't get there from here, may end up being true. You maybe can't get there from here because the RM road isn't big enough or heavy enough for your truck traffic, so you're going to have to bring in half-ton truckloads of groceries, fuel, and everything else, which could cause a wee bit of confusion and problems for people in small-town Saskatchewan. Just thought I might add that, Mr. Speaker. It was one that probably many people out there wouldn't have thought of.

Mr. Speaker, I think what we're seeing here is, and I talked about it before, Mr. Speaker, is possibly we're seeing the government and the Department of Highways passing the buck. And I would hope, and I would certainly hope, Mr. Speaker, that municipalities out there — reeves, councillors, and for that matter actually towns, villages, and that out there — that would be affected by these laws would really pay attention to this. Because I think once this Bill is passed, and if we can't get the opposition to this part of this Bill that I think needs to be addressed and changes made, they're going to be stuck with it out there.

And what I can see, Mr. Speaker, we saw from 1991-92, where downloading on to all forms of municipalities out there has gone on, even to the point where this year once again when government revenues have increased — in fact to a stage of windfall dollars — we saw no more money being put back into revenue sharing.

Now we're seeing where RMs are going to be asked to pick up a large portion, if not just in the building, Mr. Speaker — that may be cost-shared on these truck routes that are going to be passed over to the RM — but I guess where my worry comes in and from experience with this government, Mr. Speaker, who will look after these roads once they are built, put in place, and designated as heavy-haul roads? Who is going to be asked to look after the upkeep of these roads, the maintenance of these roads? I think I know as well as you do, Mr. Speaker, that it will be the local municipality, and therefore the cost will be passed on to the local taxpayer.

So, Mr. Speaker, I would caution RMs out there to take a good look at this legislation when they have the opportunity, and really do not get fooled by what the government is trying to do here and the soft-soap job that may be given to them by this government saying, oh we will share in the cost and we'll be here for you down the road, because we saw many times too

often, Mr. Speaker, that that just doesn't happen. We get sucked into something like this, believing that the credibility of the government is there and they will be there for us, and when the time comes, we're left out there to pick up the tab all by ourselves.

So, Mr. Speaker, I think we're going to have a number of questions on this Bill. I think this Bill may be somewhat controversial for a number of reasons, so at this point I would like to adjourn debate.

Debate adjourned.

Bill No. 51 — The Income Tax Amendment Act, 2001

Hon. Mr. Cline: — Thank you, Mr. Speaker. I'm very pleased to rise and move second reading of the Bill that amends The Income Tax Act, 2000.

Mr. Speaker, last year this government began the process to reform Saskatchewan's personal income tax system. Our objective was to achieve a simple, fair, and more competitive tax system that would be more responsive to the needs of Saskatchewan people and strengthen Saskatchewan's economy.

To meet this objective our government introduced a multi-year tax reform initiative as part of our long-term vision for growth and opportunity in Saskatchewan. And so this year, Mr. Speaker, on January 1 the Saskatchewan personal income tax system was simplified. The flat tax, the debt reduction surtax, and the high income surtax were all eliminated. These have now been replaced with a simple, three-rate tax structure and provincial tax credits, including a dependent child tax credit and a seniors tax credit.

And I might, Mr. Speaker, that Saskatchewan is the only province in Canada that has a child tax credit for people with dependent children.

And, Mr. Speaker, for each of the 2002 and 2003 taxation years, provincial income taxes will be further reduced as the new tax structure is phased in. Tax rates will come down in each of the next two years and the new credits for seniors and dependent children will go up.

Mr. Speaker, our multi-year personal tax reform initiative delivers meaningful tax relief to Saskatchewan residents. The introduction of higher personal tax credit amounts is removing about 55,000 people from the income tax roles altogether. And the new dependent child tax credit is providing significant income tax reductions for families with children. And, Mr. Speaker, it is part of our plan to reduce poverty.

Mr. Speaker, Saskatchewan has the best record in Canada in reducing child poverty. We have much more to do, but these measures, as part of tax reform, certainly help and we will continue along that road, Mr. Speaker.

This Bill introduces amendments which will implement the income tax initiatives announced in this year's budget. It also includes technical amendments that were requested by the Canada Customs and Revenue Agency, commonly referred to as Revenue Canada.

Mr. Speaker, I'd like to describe the budget initiatives that are being implemented through the income tax amendments contained in this Bill. As a way of ensuring continued access to post-secondary education and training, the income tax system provides tax assistance to post-secondary students through the tuition and education tax credits.

The tuition tax credit recognizes the actual post-secondary tuition costs incurred by students. The education tax credit helps to defray the non-tuition costs of post-secondary education and training, such as living expenses, textbooks, and other supplies. In recognition of rising non-tuition costs, our government is doubling Saskatchewan's education tax credit amounts to \$400 per month for full-time study and \$120 per month for part-time study. That, Mr. Speaker, is in addition to the tuition tax credit.

Mr. Speaker, our government is also enhancing the income tax system's recognition of caregivers and persons with disabilities through increases to the related income tax credit amounts. For example, the disability tax credit amount is being increased from \$4,400 to \$6,000, and the caregiver and infirm dependant amounts are being increased from \$2,446 to \$3,500.

Mr. Speaker, our government's tax reform initiative included a commitment that the personal income tax system would be fully indexed to inflation once the phase-in of the new tax structure was complete. I announced in the budget speech on March 30 full indexation of Saskatchewan's personal income tax system to the national inflation rate will begin immediately. This means that all of the provincial income tax credits which parallel federal tax credits will be determined from the same base amounts that are used for federal tax purposes.

(15:00)

For those portions of the income tax system that are still being phased in, indexation will begin once they are fully phased in. I'm referring to the income tax brackets, the basic and spousal tax credit amounts, and the dependent child and seniors supplement amounts.

Mr. Speaker, small businesses have traditionally provided the largest share of new jobs created in this province. Our government is committed to encouraging growth in small business development by improving the general climate for business investment.

Last year the business community emphasized the need for personal income tax reductions, and we responded as I've described. This year we're introducing initiatives to build on personal tax reform and improve the competitiveness of Saskatchewan's small businesses.

Mr. Speaker, this income tax Bill reduces the corporate income tax rate on small businesses from 8 per cent to 6 per cent as of July 1 of this year. That is a 25 per cent reduction, Mr. Speaker. The small business tax rate is now 40 per cent lower than it was in 1991.

In addition, the amount of income to which the small business tax rate can be applied is being increased by 50 per cent, from 200,000 to \$300,000, commencing January 1, 2002. This will

permit small businesses to retain higher after-tax income that can be reinvested to create jobs.

Mr. Speaker, Saskatchewan businesses also must pay federal tax of course. And the amount of income to which the federal small business rate applies remains at \$200,000 compared to our \$300,000.

Our government, Mr. Speaker, joins private sector associations and other provinces in encouraging the federal government to harmonize the federal amount with the 300,000 provincial amount.

In conclusion, Mr. Speaker, I want to reiterate that our personal tax reform and our small business tax initiatives are part of a long-term vision for growth and opportunity in Saskatchewan. A competitive tax regime is a central part of our plan to create the economic growth needed to secure our Saskatchewan quality of life.

We believe we are doing what is right, what is fair, and what makes sense for our province and our people, and that we together will build a stronger, more prosperous Saskatchewan for all of us to enjoy.

Mr. Speaker, I will be very pleased to answer detailed questions concerning the amendments to The Income Tax Act 2000 when discussing this Bill at Committee of the Whole.

And with that I move second reading of An Act to amend The Income Tax Act, 2000.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. It certainly is a big question about this particular Bill. You have to look at the . . . The minister is claiming that he's lowering taxes, and yet the very first thing they did in that budget he was bragging about last year, Mr. Speaker, was raise the base of the PST (provincial sales tax), so they collected more money and then turned around and raised every possible fee in sight. So at the end of the day, Mr. Speaker, there was little to no savings on taxes.

That's the history, Mr. Speaker, of this government. They brag about lowering taxes but the problem is, Mr. Speaker, they raised them. They raised them first, then they come in and try to be heroes, Mr. Speaker, because we're lowering your taxes.

Well, Mr. Speaker, they lowered them but they raised them up astronomically in the first place, and they haven't lowered them back down to where they were, Mr. Speaker.

Having said that though, Mr. Speaker, there are certainly some benefits in this tax Act. If the government is going to raise the taxes, well it is a good thing that they're also prepared to drop them, even if it is only a small amount.

Mr. Speaker, caregivers and dependants are receiving an increased tax credit. That is a good thing, Mr. Speaker. I know for my own family, certainly the costs associated with providing that kind of care, and every other family across the province that is involved in supporting a loved one — a parent,

a child, a spouse — knows and understands all of the costs involved. And most of those, Mr. Speaker, have no place to get any sort of deduction or tax credit. And raising the base is certainly of value. Even though it's not a huge amount of money, Mr. Speaker, it is of benefit.

Mr. Speaker, the contributions to the charitable contributions tax credit though does cause me some concern on what the government is doing with it. The first \$200 is calculated at the lowest tax level in Saskatchewan, even though the taxpayer would be paying in a higher tax bracket, Mr. Speaker.

I would almost think that it would be appropriate that the tax credits benefit the person who is giving the charitable donation at whatever tax level they are sitting at. That would encourage, Mr. Speaker, someone in a high tax bracket, if they could lower that incidental tax rate down on those contributions, it's much more valuable to them and they are more apt, Mr. Speaker, to give an increased amount of donations rather than giving them credit at the lowest possible tax rate. Because you have there perhaps a spread of 25 per cent, Mr. Speaker, on what the lowest rate that they're getting credit for and then the highest rate.

I know the government is trying to take some of that into account for donations over the \$200 mark. But there are people who perhaps could utilize it at the lower levels and have it taxed at whatever income tax bracket they're in, Mr. Speaker.

Mr. Speaker, the post-secondary tax credit is an interesting one. The government has doubled it. But in the last campaign, election campaign, they were going to give the first year for free — not just a tax credit, but the first year of post-secondary education for free, Mr. Speaker.

But I guess in negotiating with their Liberal colleagues, that was negotiated away, Mr. Speaker . . . (inaudible interjection) . . . Yes, well you're right. We'll give the Liberals credit for this, for decreasing the contribution that the government was prepared to make to education and decreasing it downward.

It shows just the power that the Liberal coalition members have, Mr. Speaker, in taking tax credits away from people, Mr. Speaker. And it also shows the weakness of the government in giving in to them, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Mr. Speaker, the government is also putting in place some restrictions here dealing with taxpayers that work both inside and outside of the province, Mr. Speaker. Now I guess the question has to be, where does that taxpayer pay their taxes at?

If they're paying their taxes in Saskatchewan, then why wouldn't they receive the full benefit of any deductions that they have in Saskatchewan rather than it being apportioned out to any other jurisdiction that they may be receiving income from, Mr. Speaker? Because obviously if they're living in Saskatchewan, they're paying Saskatchewan's high taxes, Mr. Speaker, and they should receive the benefit of any deductions that are available to them under those circumstances.

The minister says that he's putting in place a provision to deal with the bracket creep in taxation. This is a big issue, Mr. Speaker, and certainly one that needs consideration and needs to be eliminated from our tax rates.

That as a person's salary increases, not because of higher wage settlements but rather simply because of COLA (cost-of-living adjustment) clauses and cost of living goes up a little bit and the brackets remain the same, a person doing the same job is earning virtually the same money, has lost perhaps purchasing power because of inflation, and yet they have been jumped up into a higher tax bracket, Mr. Speaker, because of the inflexibility of the tax Act.

That, Mr. Speaker, is a good one to eliminate.

The minister talked quite a bit . . . bragged indeed about lowering the small business tax, Mr. Speaker. It comes into effect next January. Looking at the last job statistics, Mr. Speaker, he should have brought that in a lot quicker and a lot harder.

An Hon. Member: — It comes into effect on July 1.

Mr. D'Autremont: — Mr. Speaker, he says it comes into effect on July 1 at 1 per cent. Mr. Speaker, 1 per cent drop in the small business tax after losing 21,000 jobs in the last year, is a drop in the bucket. The minister needs to make a dramatic move, Mr. Speaker. He needs to show that he's serious about lowering taxes in this province and wanting business to stay here and wanting people to create jobs here and wanting people to live here. Mr. Speaker, 1 per cent is not a dramatic example of that.

Eliminating the small business tax, Mr. Speaker, that would have sent the message. That would have sent the message to the people and the businesses not just in Saskatchewan, but across Canada, into the US (United States), that we want small businesses in this province and we're prepared to help you put up a business and develop here.

The minister in saying 1 per cent is well, I guess we have to. It just shows, Mr. Speaker, his heart is not in it. He really doesn't want to do it, but if I'm forced to, I'll drag my feet screaming and kicking all the way, Mr. Speaker.

So, Mr. Speaker, the change that takes place in January 1 of 2002 is the increase in the minimum for small businesses. Again it's a good move; it just comes many years too late. It should have happened a long time ago. It should have happened when the budget was announced, at the very latest, Mr. Speaker, not a year down the road. We're suffering the ill effects of this government's economic policies today, Mr. Speaker; it's only going to be worse later on.

This Bill also deals with a number of formula. It's quite complicated, Mr. Speaker. The people of this province, the tax experts, need to have an opportunity to look over this Bill, look over the minister's formulas to determine whether or not they're doing what he says they are doing, how are they going to impact the people and the economy of this province.

Up till now this minister and his government's impact on the economy has been negative. We need to take a serious look and

see what this particular Bill is doing — exactly how it's going to impact us, Mr. Speaker.

Therefore to give us time to look at that, I move adjournment of debate.

Debate adjourned.

ADJOURNED DEBATES

SECOND READINGS

Bill No. 30

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Trew that **Bill No. 30 — The Labour Standards Amendment Act, 2001** be now read a second time.

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

Some Hon. Members: Hear, hear!

Bill No. 3

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Lorjé that **Bill No. 3 — The Historic Properties Foundations Act** be now read a second time.

Mr. D'Autremont: — Thank you, Mr. Speaker. Mr. Speaker, Bill No. 3 deals with dealing with historic properties across this province. And we have a large number of them in place, Mr. Speaker, from one end of this province to the other — from my corner of the province, Mr. Speaker, from Cannington Provincial Park, the Cannington Manor area to Cumberland House in the North; to Cypress Hills and Fort Macleod and Fort Whoop-Up, Mr. Speaker; the North Battleford's historic Land Titles Office and territorial office, Mr. Speaker.

All of these, Mr. Speaker, need to be dealt with, need to be recognized. But, Mr. Speaker, it takes a lot of effort both on the part of the communities to deal, it takes a lot of effort on behalf of the government to provide the kind of services and recognition to these historic sites that are necessary.

One of the problems though that arises, Mr. Speaker, when you recognize historic properties, is that it becomes extremely difficult to work with them. If the historic property is owned by an individual or a corporation, they're extremely restricted on how they deal with their property. Now that may be a good thing, Mr. Speaker, in recognition of the historical context of it.

But if they're going to be restricted, Mr. Speaker, I think it's important that some considerations be given to them to allow them to incorporate the historic nature of that building into the day-to-day operation that they have of that particular piece of property.

(15:15)

I know that, Mr. Speaker, in my area, the Cannington Manor, that there was a proposal at one time to fix that building up to restore it to its original splendour and to allow the public to see

and understand what was taking place in southeast Saskatchewan, pre turn of the century, Mr. Speaker. That was turn of 20th century, not the 21st, Mr. Speaker.

That settlement originally came into place about 1882-83, somewhere in that neighbourhood, Mr. Speaker. It was English gentlemen coming out to learn how to farm on the prairies, Mr. Speaker. Well that was the theory behind it at least, that wasn't actually the case. They were more interested in horse racing and riding horses and dogs to the . . . chasing foxes, Mr. Speaker, than they were in actually learning how to farm on the prairies.

But it certainly generated some interest down in our corner of the world, and brought in settlers, Mr. Speaker, while the original English gentlemen . . . I don't know that very many of them actually remained in Saskatchewan. The people who came with them, the settlers that came with them, certainly did build up the communities down in our area — the communities of Carlyle, Manor, Wawota, Kennedy. And they certainly remain . . . continue to have an impact in that area, Mr. Speaker, just as the original settlers that built some of the historic communities and buildings say in the southwest. Their families still remain in that area and carry on in that area, Mr. Speaker, and have an impact today.

So this Bill, Mr. Speaker, is important in the protection and preservation of our historic buildings. The one consideration I would ask, and that we will be questioning the minister on, is when an historic building is designated as a historic site, what impact does that have on the current owners of that particular property? How can they work and provide for themselves the day-to-day operation of whatever that building is for themselves, Mr. Speaker? So that is the case.

Now I'm not sure if other members of my caucus wish to speak to this now. I would certainly like to give them that opportunity, Mr. Speaker, so thank you very much.

Mr. Elhard: — Thank you, Mr. Speaker. Mr. Speaker, it gives me pleasure to stand and speak to this Bill. I had a quick look through it a little while ago, and while on first blush I thought that we as a caucus, we as the official opposition, might be able to move this Bill on rather quickly.

I do have some issues that I'd like to raise that have come out of this particular preview of the Bill, and things that I think need to be spoken to this afternoon.

The Act to establish Crown Foundations for Historic Properties sounds like a laudable goal. And I believe that there are some important objectives associated with this particular Act. But there are some issues that I believe will cause people to question where this Act is going with intent, Mr. Speaker.

The minister, when she introduced this particular piece of legislation on April 11, quoted at length from the Act and I'm going to quote her, if I may, as written up in *Hansard*. The minister said that:

It makes it possible (through this Act) for individual foundations to be established to help support, preserve, enhance, and promote historic properties in our province. This gives us a terrific opportunity to support our historic

properties.

Now, Mr. Speaker, I don't think anybody would object to the terms of reference as she described it in that particular speech.

Going on, and quoting again from *Hansard*:

Mr. Speaker, this Act will make it possible to establish foundations that can receive corporate and individual gifts, bequests, donations, and grants.

This Act specifically will allow the establishment of a foundation for Government House to focus on the Government House development plan.

This Act will define the legal status of all foundations formed under the mandate of this Act and it will ensure appropriate administrative and financial procedures are in place for the foundation.

I'd like to end my quote of the minister with this last paragraph:

This Act moves the Government House development project one step closer to reality, because, Mr. Speaker, the first such foundation we intend to establish will be a foundation in support of Government House.

I would say, Mr. Speaker, that that particular objective as part of this Act is quite laudable.

I know little about the complete history of Government House but I have visited it on several occasions. It's a beautiful, historic building. It deserves preservation.

And frankly there is some work that needs to be done to achieve full preservation. Much effort and energy has gone into it to date. It is filled with the most wonderful antiques and replicas of old furniture and other artifacts, but there is some pressure on that building and a foundation to help generate funds to undertake the full preservation of Government House is, as I said, laudable.

But if that was where this Act stopped, Mr. Speaker, I wouldn't be nearly so concerned. I read the Act through carefully a little while ago and came up with some observations that do present problems for me and I believe will present problems for people generally throughout this province who are looking to form foundations — tax-free foundations — for the preservation of historic properties in this province. Because, Mr. Speaker, even though the intent of the legislation is laudable and desirable, the reality in this legislation is something else.

I'd like to refer to section 5(2) where it says:

All property of a foundation, all money acquired, administered, possessed or received from any source and all profits earned by a foundation are the property of the Crown and are, for all purposes, including taxation of whatever nature or description, deemed to be the property of the Crown.

You know, if you look at that superficially, that doesn't appear to present much of a problem. But this is the same kind of

language that has been used in other Acts representing Crown corporations as they have applied to other operations in the province.

I'm thinking most specifically to the legislation that came into effect when hospital and health district consolidation happened, when we had closures of a number of hospitals in rural Saskatchewan, and we had consolidation of the local boards and their assets into the umbrella health district.

What happened at that point, Mr. Speaker, is that monies donated to achieve certain purposes or to buy specific pieces of equipment for a particular health facility were lost to the control of the larger health district. And what happened is it undermined not just the efforts of the people locally, but it took away some of the pride and the goal of achievement that local residents felt in bringing together certain amounts of money, donations, and community efforts to pursue one specific goal that benefited their community.

And having seen the impact of that historically, at least in the last decade, in the constituency that I represent and in other communities around this province, I'm concerned that this particular piece of legislation may in fact end up doing the same kind of thing to people who want to, on their own initiative, develop a foundation for the preservation of some historic property in their community. They could in fact lose the monies they have raised to a much larger entity that is controlled through this Crown, located at a great distance away.

And so I think that there's some reason to be concerned about what role local initiative and local individuals will be able to play and whether they will in fact want to play the game, whether they'll want to be involved in the effort to preserve some local historic site if in fact the control is going to be lost to a Crown corporation which is headquartered probably in Regina.

The constituency of Cypress Hills, Mr. Speaker, has a number of historic sites, as you know. And no doubt there are some that are well preserved already through initiatives of the federal government. There's national historic sites — Fort Walsh, for instance, is one.

We've had an interesting variety of historical site designations in the constituency from a small rural community church known as White Valley in the south of the constituency to I believe it's called Smith's barn in the area near Leader. And so many of the communities in Cypress Hills have their own specific and unique historical entity that they have taken great pride in restoring or preserving or upgrading.

Under the existing legislation of historic properties though, once you have applied for status, once the property has been designated as a historic site . . . as an historic site, there is a loss of autonomy that that designation brings with it.

The local people still have the fundraising opportunities, they still can provide labour and work bees to maintain the facilities to upgrade them, but there's a certain loss of autonomy to the historical sites board. And almost everything that's done has to be approved by an agency somewhere else. And it becomes an encumbrance, frankly, to the efforts of the local people.

This particular piece of legislation is even going to go further than the limitations that were placed on local organizations by the historic sites provisions that were previously in place. This actually indicates that a Crown corporation will establish a foundation to look after the historic site that has been chosen for renewal.

And so the loss of local control and initiative could be very severe and very real. So I have some concerns about the implications of the historic sites scattered throughout the province, with this particular piece of legislation.

There is one example I would like to bring to the attention of the House today in connection with this. When oil was discovered in Saskatchewan back in the early '40s, I believe the Fosterton no. 1 well located in the general district of Cabri, which is to the northwest of Swift Current, that was one of the very first oil wells discovered. And one of the, I should say maybe the first producing oil well in that part of Saskatchewan.

And Fosterton, as it turns out, has a unique role as part of our historical heritage when it comes to the oil industry. And yet the people in that area that want to see Fosterton developed as an historic site and designated an historic site, have had all kinds of frustrations in getting any kind of sympathy or support expressed for their project. So a few very dedicated local people keep working at that prospect.

Interestingly enough, the Fosterton well is still producing oil. And the irony is that everybody in Canada knows about Leduc no. 1, the oil well that is said to be responsible for Alberta's oil wealth and everybody is familiar with how the oil industry boomed in Alberta after that particular time. But Fosterton, the Fosterton well is actually older and is still producing, whereas Leduc no. 1 is younger and no longer producing.

And the irony is there that the local people of that region around Fosterton have tried to bring the attention of the uniqueness of that well to the forefront. And they've been frustrated, frankly, by a lack of financial support, a lack of recognition, and a lack of care, frankly, about that particular issue.

Now hypothetically the government could say through this Crown corporation, we're going to designate that particular Fosterton well an historical site and we're going to take control of the whole project there. Now that is a possibility and it's hypothetical I admit. But the reality is that the control of that project, even though it's been the dream of many people locally to see that come to fruition, the control of that particular site could be lost to a board that is under the control and jurisdiction of the Crown corporation that is set up in this particular piece of legislation.

Let me just go back a little bit. I want to backtrack just a bit. I talked earlier about the loss of local control when health districts were expanded. I had a letter come to my office just this past weekend in fact, Mr. Speaker, concerning the loss of local participation and autonomy when it comes to those kinds of things.

(15:30)

A lady from Shaunavon says that a group of active volunteers in

her community have spent a great deal of time and energy raising funds to purchase stress-testing equipment for the local hospital. And when they made the goal that they had set for themselves to make this purchase, they went to the provincial government and indicated that that was their intention. They had a doctor in the community who could oversee the administration of the stress tests and all they needed was a piece of equipment.

But when they brought their desire to the provincial government, when they indicated that they had this money to make this purchase, the government said no, we will not allow you to buy that piece of equipment for the Shaunavon hospital.

Now the rationale, I'm sure, is that they can use that money, the provincial government can use that money for different kinds of equipment and maybe more appropriate equipment elsewhere. The local people can use the money if they buy approved equipment for the hospital.

But the reality is that the local people worked diligently to raise that money so that they could buy a specific piece of a equipment for their specific hospital. And it's that loss of control, Mr. Speaker, that makes this type of legislation and this mentality so harmful, frankly, to the initiative and desires of the local people.

I think that when this kind of legislation comes forward it really, not just undermines they're determination and initiative and their willingness to help themselves and do something good for their own community, it approaches a mentality of Big Brother. It's as though people at the local level just don't know what's good for them, and we're going to have to take control and tell them what needs to be done in their community.

As that kind of mentality applied to the health districts, when those situations were prominent and that was earlier in this decade, I think the same thing might happen with this particular piece of legislation as it applies to historical properties.

Mr. Speaker, if you go to item no. 10, or part 10 of this particular Act, it deals with the board of trustees and it says, that:

A foundation consists of a board of not more than 20 trustees appointed by the Lieutenant Governor in Council.

If there was ever an opportunity for the government to prove that it has control of the project, this would be it. The Lieutenant Governor in Council can appoint up to 20 trustees for any foundation on any given project associated with historical properties.

And later on this particular section talks about a foundation paying any allowances for trustees and any other costs for administering the foundation from its own money. It talks about trustees holding office for a period not exceeding three years and until a successor is appointed.

And the Lieutenant Governor in Council may appoint a person for the remainder of a term, or appoint a person for a term mentioned in subsection (2). The Lieutenant Governor in Council should designate a trustee as chairperson. They may

designate another trustee as vice-chairperson to act in the absence of the chairperson. The Lieutenant Governor in Council may fix a quorum for the transaction of business at meetings of the board. The Lieutenant Governor in Council may determine the allowances for travelling and other expenses. The entire piece of legislation and that section in particular puts all authority, all power, in the hands of the Lieutenant Governor in Council. It never refers to any local participation.

And, Mr. Speaker, the strength of this province in the past and even today, the strength of this province has been derived from the ability and the willingness of people at the lowest level, at the grassroots, right at the site. It's been derived from their desire and their willingness to work together to achieve good things.

And what we have here, in my view, is an undermining of that spirit. It's the government is going to tell you how to run this; the government is going to appoint these people; the government is going to do this, this, and this. And I think that in making this kind of legislation so specific in that regard it would, in my view, discourage people from getting involved.

What it will provide frankly, Mr. Speaker, is a pretty effective employment opportunity for people who would be serving on this board. This may in fact be a government employee . . . employment program, as it's turning out.

The other thing that troubled me was the investments issue of this particular piece of legislation. It says here that:

A foundation may:

. . . invest any part of its money in any security or class of securities authorized for investment of money in the general revenue fund pursuant to The Financial Administration Act, 1993; and

. . . dispose of the investments in any manner, on any terms, and in any amount . . . the foundation considers expedient.

I think in some respects that that is too wide open, too open-ended, frankly, and I would like to see more control on that particular area of the foundation's jurisdiction.

The costs incurred pursuant to this section are a charge on and payable out of the money held by a foundation.

You know I've worked in the sector of charitable organizations for some time. And I know that there are very stringent rules and regulations pertaining to the activities of charitable organizations and what they can and cannot do — what is incumbent on them as far as the law is concerned.

And I'm fully aware that you just simply cannot abuse or misuse people's money. When they give money to a charitable organization, I, as a board member, am fully accountable for how that money is expended.

And while this particular provision that we've just discussed leaves the expenditure of money and the disposition of money in any manner whatsoever up to the board, the very next section talks about immunity from liability. And so we have provisions

in this Act that says people in the foundation, the board members of this foundation can spend money in anyway they conceive or wish, but they're not subject to liability. They are excused from liability in anything they do according to section 15.

And I think that that again leaves the door wide open for potential abuse.

14 A foundation shall consider the directions of the persons who have made gifts, grants, bequests for donations to a foundation but the foundation is not bound by those directions.

Now I understand with the experience I've had with charitable organizations that nobody has a right to say to a foundation or charitable organization, I'll give you a donation but this is how you must use it. But on the other hand, this is open-ended to the point where somebody may want to make a donation to the foundation, but the foundation is not bound in any respect to pay attention to the requests or the suggestions of the donor.

And I think that that again will not encourage people to participate financially in the underwriting or the funding of a project to restore a historical property. In fact, it will do very much the opposite.

Mr. Deputy Speaker, there's a few other issues that we need to concern ourselves with. There's one final one that I would like to talk about today and it has to do with the auditing of the books of any foundation that's been set up to oversee an historical property's operation.

And here it says:

17 The Provincial Auditor or any other auditor or firm of auditors that the Lieutenant Governor in Council may appoint shall audit the accounts and financial statements of a foundation:

(a) annually; and

(b) at any other times that the Lieutenant Governor in Council may require.

Again we have a situation here where the government has the right — I suppose some would say the obligation, but I don't see that here — it has the right to ask for an audit, not only from the Provincial Auditor but from any other auditor or firm of auditors. And again, I believe that that is non-specific enough to present possible problems in the operation and the auditing of a foundation that's dealing with an historical property.

I believe that this legislation could be much stronger if it said the Provincial Auditor would be responsible for the auditing of these foundations; that the Lieutenant Governor in Council didn't have any option in that respect, and certainly couldn't farm the work out to somebody of their own choosing if they had to hide or cover up some little scandal that would develop.

I believe that that section of the legislation ought to be tightened up and made much more specific.

So, Mr. Deputy Speaker, that brings to a conclusion my

concerns about this particular piece of legislation. On the surface, at first blush, it looked pretty innocuous, frankly, and untroubling. But if you look at it more carefully, there's too many unanswered questions that this particular piece of legislation brings to the forefront.

But having said that, Mr. Deputy Speaker, I think that the best place to deal with some of these questions may be in the Committee of the Whole. And I would move that the legislation move to that stage.

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

Bill No. 1

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Axworthy that **Bill No. 1 — The Partnership Amendment Act, 2001** be now read a second time.

Mr. Wiberg: — Thank you very much, Mr. Deputy Speaker. It's my pleasure this afternoon to rise and participate again in the debate on The Partnership Amendment Act, Bill No. 1.

Mr. Deputy Speaker, it's one of the very few Bills that those of us on this side of the House have some agreement with. Although again, we always have concerns about Bills that this government brings forward and we have found the odd hole in it. But it's important, I think, that we do give a little bit of credit where credit is due.

It is something that the professionals in Saskatchewan have been looking forward for many, many years, and we're glad to see that this NDP government is finally being able to join the 20th century. Unfortunately, it's the 21st century, but at least they're starting to catch up a little bit.

Now we know, Mr. Deputy Speaker, that other provinces in this country have similar Acts on the book. Those provinces that are certainly a lot more progressive and aggressive than we are here, that bring about legislation such as this so that limited partnerships have an opportunity to be able to protect the individuals in the partnership, to some degree, in case one of the partners causes an error in the business. And that way, Mr. Deputy Speaker, the other partner is not totally liable also for the actions of his partner.

Mr. Deputy Speaker, one thing we have done, of course, is to take this Bill out into the professional community, to the dentists and the lawyers and accountants and other such professionals who tend to set up shop as partners. And we have heard some response back from them; some of it had been positive. There are some concerns out there.

And for a large part though, we're still waiting to hear back from quite a few of them as they pour over the Bill and try to get a better handle of it. As they discuss it amongst their other different professionals, they are trying to come up with reasonable responses that we can use and debate and certainly use sometime off in the distant future when we move this into Committee of the Whole.

And so, I think it'd be best at this time, Mr. Deputy Speaker,

that we wait until we hear some more further response and adjourn debate.

Debate adjourned.

Bill No. 17

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Axworthy that **Bill No. 17 — The Professional Corporations Act** be now read a second time.

Mr. Stewart: — Thank you, Mr. Deputy Speaker. It's my pleasure to speak to Bill 17, The Professional Corporations Act.

Mr. Deputy Speaker, as I understand it, this Bill extends provisions that were granted to doctors last year; namely, the right to incorporate. Professions such as accountants, lawyers, dentists, etc., have been lobbying the government for this right. For many, incorporating just as other businesses do comes with financial benefits in terms of taxation.

The Saskatchewan Party is supportive of the direction of this piece of legislation as we were with the Bill last session granting the right of incorporation to our doctors. Anything we can do as a province to make Saskatchewan more attractive to important and vital professions that will help keep and attract them, we have to look at seriously.

With professional incorporation, Mr. Deputy Speaker, there are certain advantages granted at last to these professionals. Advantages such as in the area of taxation, which has been a real point of contention for many and has made Saskatchewan uncompetitive for many professions.

(15:45)

For too long, this government has ignored the suggestions of important professionals and have instead watched as many have left Saskatchewan for greener pastures and lower tax rates elsewhere.

So if a Bill of this type stems that tide in even a small way, it's a valuable and important change. However, I would caution the members opposite that it's important to recognize that this Bill in itself will not stop the outflow of people from this province.

Last year we saw the incorporation of doctors, a move we wholeheartedly supported on this side of the floor. While certainly something doctors had lobbied for, for years and a positive step, this change in itself was not enough to keep many doctors from continuing to leave our province for many other reasons, mostly having to do with working conditions I suspect.

In creating an economic atmosphere that puts our province on a competitive playing field that attracts more people here, this is certainly one piece of the puzzle, Mr. Deputy Speaker, but it's only one piece.

We have seen from this . . . We have seen this government continue down a road in other areas that continue to make business feel unwelcome in Saskatchewan. And unless this antagonistic atmosphere of suspicion and resentment against those people in this province who are employers, entrepreneurs,

and professionals is abandoned by the far left-wing members of this government who seem to have more power these days than they used to, our economy will continue to falter against those of our neighbours who have been far friendlier to potential investors.

So once again, Mr. Deputy Speaker, this is a small step in making our province more competitive with our neighbouring jurisdictions; in perhaps keeping a few more of these important professionals here at home and contributing to our economy.

It's also important to point out, as the minister has done, that the rights of individuals seeking the services of professionals who opt for incorporation do not change with this Act. As section 16 points out, the relationship between a professional corporation and a person who receives services from a professional corporation is still subject to all of the applicable laws relating to the confidential, ethical, and fiduciary relationship remains.

I think that's important to point out. Too often, thanks in large part to the political philosophy of the members opposite, the very word corporation sets off unwarranted alarm bells and people immediately think of a great faceless entity with little regard for people. In reality, of course, Mr. Deputy Speaker, a corporation is simply a legal description, but it's still important for people to know that their rights do not change with this piece of legislation.

The Saskatchewan Party strongly supports the nature and direction of this piece of legislation, and accordingly, Mr. Deputy Speaker, I move that this Bill proceed to 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. 16

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Crofford that **Bill No. 16 — The Film Employment Tax Credit Amendment Act, 2001** be now read a second time.

Mr. Huyghebaert: — Thank you, Mr. Deputy Speaker. It gives me great pleasure to be able to rise and speak on Bill No. 16, The Film Employment Tax Credit Amendment Act, 2001.

Mr. Deputy Speaker, this amendment changes very little in the Act. It's really an extension extending the sunset clause in the Act for two more years, from 2001 to 2003. That in itself, Mr. Deputy Speaker, raises some questions. This tax credit was initially instituted as a mentoring program for people in Saskatchewan, and presumably young people in Saskatchewan to get involved in the film industry. It would appear that this obviously did not work because now we're extending the program. We'll have some questions on that I'm sure when we get to the Committee of the Whole.

Mr. Deputy Speaker, one of the first things this government does when it comes to talking about any of their incentive programs such as this and this tax credit is they talk about how much money they have made and how much they hope to make

on it. And we're very experienced with the money aspects of anything the government talks about, not what they lose in Crowns but how much the Crowns have made for the province, over and over, each year. They don't wish to look at the losses.

But in the film tax credit, it's really no different. Stated by the government in 1977, the value of the film and video production in the province was \$26 million. One year later, in 1998, after the implementation of The Film Employment Tax Credit Act, the amount had more than doubled to 58 million.

Last year, in 2000, the figure had climbed to 60 million. In fact the minister herself is saying the industry volume could reach 100 million in production over the next few years.

Now this is very impressive, but our concern, Mr. Deputy Speaker, is that it's only a small sector of the economy that's getting a break. In this case, it's the film industry. And the government again is insistent on picking winners and losers and the question is, is why.

We're not denying that the film and video industry is a valuable component of the economy but so much more could be done. Why do we stop just at the film industry? Why not other businesses? Why not other industries?

This is a proof actually to the government that tax breaks work to stimulate the economy, and we hear on a continuing basis where we wish to lower taxes and it won't work. And yet here the government is picking winners and losers, lowering the taxes in one little sector of the economy. And by their own figures it's working well.

The tax credit, film tax credit has contributed greatly to the overall growth of the province. Not only from a cultural aspect but also in terms of overall economic growth. So I believe that the NDP should look at what their own record is. You give a tax credit to one industry and it expands the economic growth of the province.

However, however, they're in the mode of picking winners and losers again. You pick who you want to grow in this province. You don't want the province to grow. You just pick little winners and losers wherever you see fit on a given day.

Mr. Deputy Speaker, the province has also seen a dramatic rise in the number of larger, more expensive film and video projects being produced. We've also attracted national and international attention in the film industry. This certainly speaks not only to our province's many attractions, but also to the level of professionalism of the people working in the industry.

But a closer look at what impact The Film Employment Tax Credit Act has had on the province reveals the following: tax credits, training, young people, more jobs, economic growth, and spinoffs. In fact we're actually pleased that the members opposite have recognized what tax breaks can do for an economy because this is a message that we've been talking about for quite some time.

But we're wondering why this government doesn't target the rest of Saskatchewan's business and industries. Why not offer them the same incentives? We know that the rest of the

businesses and industries in this province certainly deserve it; and we all know that small businesses are the engines that drive a province's economy, not the Crown corporations.

But this Bill will most certainly not address that, not even when we hear on a regular basis of businesses closing down or relocating or just plain refusing to set up in the province. Why? Because too much bureaucracy, too many taxes, and not enough opportunity.

There's an argument, Mr. Deputy Speaker, that some put forward, saying that if you decrease taxes, you're going to run into problems because that leads to deficit budgeting. How many times have we heard that from members opposite? When we talk about our tax program on this side of the House, we hear, you're not going to get the money from taxes, therefore you're going into deficit budgeting.

Well really nothing could be further from the truth, and we know that because the numbers from The Film Employment Tax Credit Act tell us this. You give a tax credit, you create more jobs, you get more young people working, and you get more economic spinoffs. In other words, decreased taxes equals increased businesses equals increased economic growth. What could be plainer?

Mr. Deputy Speaker, we know that the government cut its small business tax by 2 per cent in this year's budget, and the small business income tax rate claim threshold has increased to 300,000 from \$200,000. Those are encouraging to see, but so much more could be done. This Bill, however, does not make any advancement in other areas.

And, Mr. Deputy Speaker, I'd just like to quote from the Canadian Taxpayers on the budget and the 2 per cent reduction in the business tax. And this article, Mr. Deputy Speaker, talks about "Unfocused spending spoils provincial budget." And it says:

A look at the budget reveals government spending that is unfocused, undisciplined, and unsustainable in the long term. So while our provincial government defends spending increases and fends off calls for more tax cuts by claiming that it is focusing on health, education, highways, and agriculture, the numbers suggest a different reality. It has not focused on strategic spending but unfocused and undisciplined spending that is draining resources from important programs, hampering debt reduction, and slowing tax relief.

And I would just like to go back to part of what the Taxpayers Federation has said, this government "... is focusing on health." Well I would suggest we look at the health care in this province today, and if that's their focus, it's quite a shoddy approach to health care — what we're seeing right now.

Highways, focus on highways. Let's look at the highways. Agriculture. The same thing. Mr. Deputy Speaker, this just goes to show how unfocused spending of the budget is, and why, back to the film tax credit, it's only one avenue that the government has focused and to pick a winner or loser.

One thing this government seems to forget is that when

someone from outside the province is working and training in Saskatchewan, there is some serious secondary expenditures taking place. People employed in the film and video industry have to be provided with accommodations, meals, travel, entertainment, and general necessities.

These secondary expenditures will be spent wherever those people happen to be shooting on location in the province, be it a city, a town, or a remote area. This is where your economic spinoffs occur. Yet there's no recognition for those companies that provide those services in this Bill.

What's even more troubling is that the business providing those services, those businesses where these secondary expenditures will take place, have overall been treated rather shabbily by this government. The last few months in particular have been very disappointing. For instance, the 2 per cent business tax cut will be literally swallowed up with huge utility rate hikes facing small businesses.

SaskPower predicts it will have to raise its rates by another 10 per cent before the end of the year. The SaskEnergy rate hike — we've gone through that ad nauseam in the last little while, debating the SaskEnergy rates and the prices of natural gas — but we know the effect that that will have on small businesses in this province.

How does the government expect those businesses to realize any profit when they're facing these skyrocketing operating costs?

And, Mr. Speaker, I go back to these spinoff businesses, and again I talk about rural Saskatchewan. I'll go talk a little bit about rural Saskatchewan. In my particular area, very historic areas where films have been done, they've been producing films in the area. And because of the policies of this government, which has caused businesses to close, we find now if film companies wish to come down into the Wood Mountain/Willow Bunch area, there's very few places for them to stay because businesses have closed because of the policies of this government.

And even to add to this burden, Mr. Deputy Speaker, we look this year at tax reassessment. We have places in my constituency where the reassessment, it's going to cause the taxes to go up by 200 to 300 per cent. And I wish to repeat that — 200 to 300 per cent. We hear rhetoric from the other side about, yes, but the mill rate went down 1 mill, but the actual fact is dollars out of pockets, out of businesses is skyrocketing.

(16:00)

I recently talked to an individual who owns an inn, and I think it was two hundred and some per cent his reassessment taxes have gone up, which may in fact cause the place to close. We've already witnessed a couple or three hotels within my constituency that have closed because of the skyrocketing utility rates and the taxes that are going up. How this relates into the film industry — I do not expect people from the film industry will want to use tents when they go out into some of these rural areas to do filming.

Now, Mr. Deputy Speaker, while this Bill seeks to extend the

waiver of residency provision, we can't help but note that it is to be used when no qualified Saskatchewan resident is available for employment. Well it makes you wonder why there is no Saskatchewan resident available for employment. We know that our young people leave this province on a regular basis, and enter into any kind of debate we wish on it, what causes the young people to leave is no jobs. No jobs are created by an economy that is flat or declining. As we heard today it's in a death spiral, and I believe that's a very accurate assessment of the economy.

Mr. Deputy Speaker, I'd just like to read one quote from the Saskatoon *StarPhoenix*, and it says:

The provincial economy seems to be right now in a crisis of confidence; both from the employer's side in terms of capital investment and from the consumer's side, confidence matters.

And, Mr. Deputy Speaker, that is why our young people are leaving the province and that's why I believe that this tax credit has to be extended because our mentoring program did not work. And so we have to extend it, trying to get some young people to work in the film industry.

So in essence, Mr. Deputy Speaker, the film industry is facing a labour shortage much like so many other parts of the province, because we are chasing our young people out of the province. And I might add it's not only the young people that are being chased out of the province, it's people from all ages with businesses that are closing down and starting up in other jurisdictions.

Two troubling issues emerge here: one is that this government is addressing the labour shortage in a small, confined sector of the economy by extending a waiver of residency provision. The other is that, as with every other sector of the economy, it seems once a young person has received training in the province they pick up and leave. There's simply not enough reasons to keep them here. And the film and video industry is no different. Again why we're extending this mentoring program.

Mr. Deputy Speaker, we have serious labour issues in this province. We lost over 12,000 people last year — 12,000. According to StatsCanada, in the last decade the number of jobs in Saskatchewan has grown by just 3.5 per cent — less than one-quarter of the national average of 14.3 per cent job growth.

On top of that, a recent survey indicates that fully 40 per cent of young people aged 18 to 24 anticipate moving out of the province within the next five years. That's almost double the West as a region.

These 18- to 24-year-olds make up a large portion of the film and video industry's core group of workers but they're planning on leaving. They won't be here in five years. No wonder the film and video industry needed some extra time.

I guess I have question: will we be seeing this tax credit incentive go on and on and on because we're not filling the positions?

So while this Bill does provide for a time extension that will

allow tax credits for out-of-province residents, it does not even begin to address the many issues and concerns facing economic growth and related labour issues in the province.

And it also doesn't address the many barriers facing the province's other businesses and industries.

And it most certainly does not contain any vision or plan for long-term economic growth that should be provided for all sectors of the economy and not just a select few.

So, Mr. Deputy Speaker, with that I would like to adjourn debate.

Debate adjourned.

COMMITTEE OF FINANCE

General Revenue Fund Post-Secondary Education and Skills Training Vote 37

Subvote (PE01)

The Chair: — The last time we considered these estimates was on April 30. I'll ask the minister to introduce his officials.

Hon. Mr. Hagel: — Thank you, Mr. Chair. I'm happy to reintroduce officials. They've all been before committee before. To my left, the deputy minister, Neil Yeates; to my right, assistant deputy minister, Wayne McElree; behind the deputy minister is Mae Boa, executive director of finance and operations; directly behind myself is Lily Stonehouse, assistant deputy minister; to her right is John Janzen, acting executive director of student financial assistance; and behind the bar is Jim Benning, president and CEO (chief executive officer) of SCN (Sask. Communications Network Corporation).

In addition, Mr. Chair, I just wanted to correct a statement I'd made on April 30, just as we were wrapping up.

I had, in response to a question raised by the hon. member for Cypress Hills, if I remember correctly, about movement of graduates, had indicated that the most recent study pointed to a net 4.5 per cent gain in Saskatchewan of post-secondary graduates. In error I had referred to the study — which, Mr. Chair, is done jointly by StatsCan and the Council of Ministers of Education, Canada — I referred to that having been done looking at '86 grads two years later in 1988.

I was in error in saying that. The years actually were 1995 grads in 1997. The previous study had in fact been '86 grads in '88. And at that time in the '80s, Mr. Chair, Saskatchewan was experiencing a net outflow of graduates in the amount of 7 per cent. And in the '90s then, from the study there, it was a net inflow of 4.5 per cent graduates.

So there was significant difference in Saskatchewan in comparison of the two decades, and I just wanted to correct it for the record. I did note the look on the member's face when I referred to the date, and I now recognize why — I unwittingly mentioned the dates of the previous decade.

So I'm happy to correct that, Mr. Chair, and I'm looking forward to the questions from the critic and continuing with estimates in Post-Secondary and Skills Training.

Mr. Hart: — Thank you, Mr. Chair. I have quite a number of issues that I'd like to deal with. I don't think we're going to get to them all today, but I understand that the way things are progressing in the Assembly that we will have quite a bit of time during the summer to deal with them. So we'll deal with them in a fair bit of detail, hopefully. So I'll put some of these down and we'll get to some of the main issues.

Mr. Chair, I would like to start by discussing the funding to the universities by this government. The 3.5 per cent increase in operating grants certainly is not adequate as . . . if you talk to the folks over at our two universities, there's a number of . . . After the budget was announced and since that time you can go through newspaper articles with headlines with things like "Tuition fee hike is the only recourse." "U of S will seek a significant tuition fee increase." "The budget is a let down at the U of S." "The U of R says pressing needs not addressed in the provincial budget." And so on.

Numerous other articles and editorials indicating some of the impact of the less than required funding for operations at both universities. And I wonder. I know that the minister said in the past that his government is committed to post-secondary education and it ranks high in their priorities, but I wonder how the minister can justify only a 3.5 per cent increase in operation grants to the universities in lieu of the needs, and how does he justify that small increase with a large demand and in terms of post-secondary education being a high priority?

It seems like, from those people who are looking in from the outside, that a 3.5 per cent increase in funding for operations certainly doesn't indicate a high commitment to post-secondary education.

Hon. Mr. Hagel: — Thank you, Mr. Chair. I welcome the hon. member's question. And I think of course the last thing he'll want me to do is to compare the actual funding track record of the coalition government, Mr. Chair, with the financial commitments made to post-secondary by the hon. member and his party in the last election. Because unfortunately, Mr. Chair, the comparison does not look very favourably on the commitments of the Sask Party.

Probably to put things into perspective, Mr. Chair, I'll say several different things. First of all, there has been a commitment of three and a half per cent increase to the base operating grants of both of our universities. There still remains an additional \$3 million in addition to that to be allocated to our universities through the funding formula.

(16:15)

To put things into a broader context, since 1999, the funding to our universities has increased by in excess of 15 per cent, 15.3 per cent in that time, increases granted through the Treasury Board and estimates process of government. And that would be compared, Mr. Chair, to an inflationary experience during that period, of slightly less than 6 per cent, which was the most that in the last election, Mr. Chair, that you could get anyone from

the Saskatchewan Party to make a commitment to post-secondary education.

What's the difference of that, Mr. Chair? When you put the pencil to the paper, what it tells you is that there is \$17 million more being funded in this budget to our university sector than would be if you applied the policy of the Sask Party.

In addition to that though, Mr. Speaker — because it doesn't stop there, Mr. Chair — in addition there is an additional two and a half million dollars in this budget that is dedicated to develop the virtual campus, Campus Saskatchewan. A significant part of that is being received by the universities. Also a one and a half million dollar expansion in computer sciences programs, the bulk of that at our universities.

For the centennial scholarships, merit-based scholarships for first-year students coming into our post-secondary institutions, \$500,000, a half a million dollars, most of that to our universities. And also, Mr. Chair, a half a million dollars going to support the centennial summer employment program . . . Sorry, that'd be \$5 million in total going to support the centennial summer employment program; but a half a million dollars of that money going to post-secondary institutions, and the bulk of that will also flow through to our universities.

So as the hon. member can see, Mr. Chair, the funding has been substantial. It is certainly very attractive when compared to the alternative put forward by the Sask Party in the last election.

Mr. Hart: — Mr. Chair, it's interesting to hear the minister explain as best he can the underfunding that has been chronic in the last decade by this government. All you have to do is look at some of the information coming out of both universities and talk to some of the people over there and they'll soon tell you that they were able to cope with the cutback in funding. They made the sacrifice, I guess, in a difficult time along with everyone else, but they said they can no longer do that.

And as a result we've seen some very significant tuition fee increases from both our universities: the U of S (University of Saskatchewan) increasing their tuition fees an average of 15 per cent; the U of R (University of Regina), 9 per cent. It's interesting to note that both of those increases in tuition fees will bring in more new dollars to both universities than new dollars that'll be coming from the provincial government.

So in other words, Mr. Chair, there's more money coming from the students . . . more new money coming from the students than there is from this government.

Also when you look at the *Maclean's* ratings of universities across this country, our two universities in Saskatchewan here haven't even maintained their position — they are actually been dropping. And I realize that there . . . we may have some questions as to the criteria used and so on and some of those differences in criteria I do agree with, but I don't agree that they're not significant.

I know talking to some folks on both campuses, they tell me that there is a reason why our universities' ratings are dropping and in fact, that is . . . it distresses me but it has to do with the quality of education that's being offered at these two

universities.

Now the minister talked about what the Saskatchewan Party's policy was in the last election as far as post-secondary education and . . . but he fails to recognize some of the developments in policy that we've made in recent months. The Leader of the Opposition, my colleague from Rosetown-Biggar has indicated recently that our . . . the Saskatchewan Party are fully supportive of the U of S's integrated health science facility, that we feel it's a very necessary facility on that campus, and we would be fully supportive.

We look at post-secondary . . . funding to post-secondary education not as an expenditure, Mr. Chair, but as an investment in the future, and we feel it's an integral part of the . . . will play in integral part of the recovery of this province. And therefore we feel that of any area that should not be underfunded, this is one area that certainly should not be underfunded — particularly when the government is sitting on some fairly significant reserves, if you want to call them.

There's 500 million in the Fiscal Stabilization Fund; there's 150 to \$200 million Crown dividend that wasn't tapped into. And it seems somewhat ironic that at a time when our universities are struggling to maintain quality — and particularly from a coalition government who made access and quality such a key issue in the last election — that university funding would be less than adequate at this point in time.

Mr. Deputy Chair, there are a number of organizations that have expressed some real concern about the funding level, and at this time I would just like to discuss some of those concerns that were raised by some of the groups associated with the universities with the minister.

The first is . . . and I'm sure the minister has seen this letter that was sent, I believe, to all members of this Assembly dated April 20 from the University of Saskatchewan Council raising some concerns, and in fact, a copy of a motion that was passed unanimously at their April 19 meeting. And there are a number of issues in here that the minister and myself discussed very briefly, I believe. I think maybe we should spend a little bit more time on some of these things.

The preamble to the resolution that the council passed says in part that the university can provide quality and relevant university . . . they have a plan:

. . . to provide quality and relevant university education that's required by Saskatchewan students and contribute through enhancing economic and social well-being of the citizens of this province.

And that's . . . I'm just quoting in part. They're talking about the operations forecast, and I suppose maybe I should have started at the beginning, but I'll carry on.

These operation forecasts have shown that human resources, both faculty and non-faculty, have been eroded to the breaking point. The university is not able to replace equipment on anything close to and accepted by conservative service life estimates.

The deficit in capital maintenance continues to mount. The accumulated underfunding over the last 10 years has created a sequence of crisis situations with regards to buildings and programs.

I wonder if the minister would like to respond to these folks and their concerns. As their resolution indicates there's been an accumulation of underfunding, and as such, I guess to put it in simple terms that we use out in the farm country, the chickens have come home to roost.

I wonder how the minister plans to deal with the crisis situation that we have.

The Deputy Chair: — Why is the member on his feet?

Hon. Mr. Goulet: — With leave to introduce visitors?

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Goulet: — Mr. Chair, I would like to introduce to the members a visitor up on the Speaker's gallery, and we have Mr. Louis Gardiner who is sitting with "Tex" Bouvier.

And Louis Gardiner has been working in the field of education for many years chairing the local board as well as being on other boards of northern development. As well, Louis has been involved in the field of recreation. He's been one of the better off hockey players from northern Saskatchewan. They say that he is better than the member from Athabasca, Mr. Chair.

So I'd like to have our members please welcome Mr. Louis Gardiner, and again, Mr. Bouvier.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

General Revenue Fund Post-Secondary Education and Skills Training Vote 37

Subvote (PE01)

Hon. Mr. Hagel: — Thank you very much, Mr. Chair. And I join with the Minister for Northern Affairs in recognizing the guests in the gallery.

Mr. Chair, the hon. member raises several questions in concert, and it will require a bit of time in responding to him to do it in all fairness.

I think what needs to be noted first of all, Mr. Chair, is the realities. And I hear the hon. member using the word crisis, which is a word that seems to emanate from that side of the House on a regular basis.

A friend of mine the other day, Mr. Chair, suggested that if we were to consider every time that the opposition says the sky is falling, to actually believe that to be the case, if we wandered outside and cast our glance skyward, there would be nothing

there because surely by now the entire sky has fallen.

But I don't think that . . . I think the hon. member just engages in excessive rhetoric. And I quite understand that he doesn't believe this to be a crisis — an important issue, for sure, but a crisis, I think, is a bit of an overstatement of the issue as he describes.

First of all to put things into context, as I just said a few moments ago, if we were to follow the funding policy of the party opposite, there would be \$17 million less in operating grants this year than in fact there are. But it's not sufficient just to rest there.

It should be noted, Mr. Chair, that the concerns related to the capital infrastructures of our universities are important — I will come back to that in just a moment — but that the response of this coalition government has not been minor by any stretch of the imagination.

As we've said earlier in these estimates, if I remember correctly, the capital commitments and funding transferred to the University of Saskatchewan over the last three years, some \$80 million; to the university sector over the last three years, in excess of \$100 million, Mr. Chair, just in the last three years alone. That's above and beyond the operating funds that are going to the universities, assisting with things like the Thorvaldson, the Kinesiology buildings, the U of S; the Education Building, U of R.

Through the Centenary Capital Fund being used as well, we understand the request of the U of S for the College Building, waiting for the federal government to come through with some kind of commitment in support of that building which has now been declared a national heritage site but has for some reason not been able to attract any national funds. The province has said we're there, with the university there.

And the university is now talking about the importance of the Health Sciences Building, and we're talking with the university about that.

The hon. member says that he believes his leader has made a commitment. I don't know to what kind of dollar figure he would have in mind. He may want to put that into the record, if they know.

But also it is important, Mr. Chair, to note that the government is prepared to work together with the University of Saskatchewan, the Health Sciences Council, to look at the importance of the health sciences training in our province.

The Fyke report has come forward. Saskatchewan is in these days looking to the future of health care. And Mr. Fyke, in bringing his report, has pointed to the importance of training and research. We acknowledge that. It is important to move forward in a planned and dedicated kind of way, with a clear picture about what it is that we're doing in service of health training, research for the people of Saskatchewan.

And that's not the kind of thing that anybody realistically expects to have specific commitment made at this point in time without working through just what are the requirements and

how do you then build in the necessary infrastructure to support the outcomes that you're seeking in both the area of teaching and research, which are a very important part of that total picture for the people of Saskatchewan.

(16:30)

This is not about ego. This is about taking the resources provided by the people of Saskatchewan through their good, hard-earned tax dollars that they're paying, and using it in a planned and concerted way, Mr. Chair, so that we have some confidence that the outcomes that are realized will benefit citizens of Saskatchewan not just today but well into the future.

I see us at an important time in the review of the health care in our province. I'm pleased that the opposition has agreed to participate in the Health Standing Committee of the legislature to receive comments from the people of Saskatchewan, the stakeholders in the health sector. And so that in a progressive and a constructive kind of way, that this legislature and those of us on both sides of the House can find ourselves looking at the realities and building for the future, Mr. Chair.

Mr. Hart: — Mr. Chair, the minister accuses this side of the House of using the word crisis, while in fact crisis is exactly the word that is used in this resolution that was sent to all, as I said earlier, to all MLAs (Member of the Legislative Assembly) by the University of Saskatchewan Council. And for the record, the University of Saskatchewan Council is an elected body representative of faculty and students, and they're responsible for academic programs at the university.

So these are folks who are hands-on and see on a day-to-day basis what is happening at that university. And they are the people that use the word crisis. Just to repeat for the minister's benefit, the accumulated underfunding over the last 10 years has created a sequence of crisis situations with regards to buildings and programs.

I might just, for the record, read the resolution:

Be it resolved that the University Council convey to the legislature of Saskatchewan that the teaching, research, and public service obligations of the university to the people of Saskatchewan cannot be met at current levels of public funding.

These are not my words, Mr. Chair, they are the words of this University of Saskatchewan Council.

But they're not the only ones that are concerned. And before I raise some concerns on behalf of another group, I would perhaps like to maybe address this crisis situation that the minister suggests is not a crisis and takes rather lightly.

All one has to do is look at the situation at the College of Medicine at the University of Saskatchewan. I believe there's a number of people up there who have used the word crisis.

Students I think would perhaps be using the word crisis when they're looking at the projected increases in tuition fees of, as I said earlier, 15 per cent at the University of Saskatchewan and 9 per cent at the University of Regina. And that's over and above

an average of 7 per cent or 7.7 per cent increase last year. And they're being told that in the academic year starting in the fall of 2002, that there will be some fairly significant increases unless we have an increase in funding to the universities.

So it's not this side of the House that's seeing the crisis. I think there are a lot of people that are seeing the crisis.

All one has to do is look at what's happening out on the streets of Regina and other cities around the province where we have CUPE members out on strike because they say there aren't enough people to do the work there, that we have a shortage of health care workers.

Only this morning I met with representatives from the College of Dental Surgeons and they're telling us that there's a real shortage coming down the road. And they have some real concerns about the school of dentistry up at the U of S.

So I think, Mr. Minister, I think there are some crises in post-secondary education that need to be addressed.

Now another group that has expressed some real concerns about funding to universities is the student union, the University of Saskatchewan Students' Union. They sent a position paper. And I'm sure the minister, I would think, received a copy and I would hope that he has looked at it. And they identify basically three issues which they are very concerned about. And I read this about a week ago so I'm not sure, they too may have used the word crisis, Mr. Chair.

They talk about core funding, something that we've been talking about here. And their recommendation as far as core funding is, is that this province increase the core funding or the operating grants to bring them in line with the national average. According to their information, our funding is somewhat lower, and we'll perhaps discuss that a bit in a few minutes time.

They also talk about scholarships and bursaries. And again, Saskatchewan ranks fairly low in that area according to the students at the U of S. And they recommend that a residency-based scholarship and bursary mechanism needs to be developed, perhaps on a matching grant basis, to retain the best and brightest students within the province and to maintain their financial accessibility.

And the third area they talk about is the students' experience, as they call it. And what they are saying there is that besides offering programming and that sort of thing to students, there needs to be other services. And there in fact are other services that are offered to students, but again according to their information, Saskatchewan is below the mean, as far as the national average in that area.

And their recommendation, and I'll simply read it for the record:

Saskatchewan needs to take a proactive role in enhancing the student experience through increased and targeted funding for services that contribute to the success of students within the PSE realm.

So that's another group that is concerned about the level of

funding and the impact of the underfunding, as some of these groups will call it.

Another group, the University of Regina Students' Union also issued a news release dated May 22, in which they're very concerned about the 9 per cent increase in tuition fees.

They quote a study by Statistics Canada which indicates that the higher the tuition fees, the greater the restrictions to access to post-secondary institutions. And they quote some statistics that young people from low- and middle-income socio-economic status, that that gap is widening and will continue to widen as far as those children from those families being able to access universities, SIAST, and those sorts . . . receive post-secondary education. And so they have some real concerns.

And near the end of their news release, and I'll quote them:

The Government of Saskatchewan must make a stronger commitment to the development of our educational institutions and ensure that education remains accessible to all people.

So, Mr. Minister, there are some very serious concerns being raised by many people about the level of funding . . . (inaudible interjection) . . . The member from Regina South is asking whether they're using crisis, the word crisis, and in fact I think some of them are.

I think at this time I would like to get into some specifics on funding to the universities, Mr. Chair. The total budgeted figure for operational grants to the universities this year is \$212 million. I wonder if the minister could . . . last year the budgeted figure was about 201 million. I guess I have a couple of questions at this point.

First of all, does the minister have the forecasted number for the last fiscal year for the total operating budget to the universities? And secondly, can he provide the numbers, the operating grant numbers to both universities in the past fiscal year and the estimated dollars for this current fiscal year for both the University of Saskatchewan and the University of Regina?

Hon. Mr. Hagel: — Mr. Chair, that was a rather lengthy question and will probably deserve an equal amount of time in the answer, I'm afraid. But the question ended on a specific question and I assure the hon. member that the answer will end on a specific answer as well.

But I think what the hon. member describes as context . . . and I just would like to reflect for a moment on the significance of the observation, Mr. Chair, of the Minister of Education from Zimbabwe.

Last November I had the opportunity to chair the triennial conference of Commonwealth ministers of Education. And I will long remember, Mr. Chair, the Education minister from Zimbabwe informing the ministers gathered that last year, if I remember the numbers correctly, in his country they graduated some 1,800 new teachers. And last year in his country they lost some 1,200 teachers who died of AIDS (acquired immune deficiency syndrome). Mr. Chair, that's a crisis. That's a crisis.

We've got problems; we've got challenges. And when you have challenges, what you do is you make plans, you set goals, you understand your criteria, and you move forward. Mr. Chair, we have challenges.

When the hon. member talks about funding to universities, in addition to the \$17 million less there would be if his party were to implement their policies, Mr. Chair, in referring to the support for students from the people of Saskatchewan through their provincial government programs. And in his criticism about shortfall, I think is the word he used or something to that effect, in the area of scholarships and bursaries, I would want to point out, Mr. Chair, that most if not all informed students in Canada would say quite readily that Saskatchewan has, at this point in time, one of the best student loan programs in the nation.

And I say that, Mr. Chair, because it's not well known, that here in Saskatchewan through the student loan program . . . let me just give you a couple of quick numbers to point out the commitment of the people of Saskatchewan through their student loan program in this province to support students.

Last year in the student loan program, some \$62 million were lent in Saskatchewan student loans. And, Mr. Chair, last year some \$32 million in Saskatchewan student loans were forgiven. Mr. Chair, that is not too shabby a commitment to bursaries in the province of Saskatchewan. And many informed students would say it is the best in the nation.

In addition to that, Mr. Chair, as I pointed out just a few minutes ago, in this budget there is additional 500,000 new dollars for scholarships, for merit scholarships.

And in the budget it has been pointed out when the committee's met previously, and as the Minister of Finance has pointed out, in this budget the tax credit for students has doubled. For a full-time student has a tax credit of 400 . . . now has a tax credit of \$400 per month — full-time student. And what that means, Mr. Chair, is when you put together the new tax system and you implement that additional deduction for students, a full-time student in Saskatchewan can make over \$11,000 in income before they pay a single penny in Saskatchewan income tax. Not too shabby in support of the financial needs of students I would suggest.

The hon. member talks about the universities setting tuition fees and they have the right to do that, Mr. Speaker. This is a government, which respects the autonomous privilege of the boards of governors to set their operations, including their budget, and in that mix also the setting of tuition fees. And, Mr. Chair, I respect their right to do that and the fact that, in concert with some other decisions related to access and quality that are their ongoing concern, that they have made the decisions that they've made this year.

And I know that the students understand those things as well because I have talked with the students as well.

(16:45)

Everyone would wish that no matter what the tuition rate was, that it would be lower. That's a natural thing to wish for.

Mr. Speaker, the universities have the right to determine what the tuition should ought to be set at. University of Saskatchewan has made a policy decision, as I understand it, to connect in a scale within the nation, and that led them to a conclusion this year. And I know that the students there understand that.

Now all of this, Mr. Chair, cannot be talked about without putting into context the funding of post-secondary education in the nation. Because here in Saskatchewan, as we've said in this House before, there have been challenges in the funding area that have been faced by our post-secondary institutions, including our universities.

Some of that came out of this province having to deal with the devastation, the financial devastation that it inherited in 1991, the government, when it inherited from the financial circumstances of the previous Conservative government, of which some of those members sat in that caucus, some of those members on the other side.

And so, Mr. Chair, that led to some decisions that had restraint in this province in a whole host of areas, including in our post-secondary institutions. And Saskatchewan people understand that.

In addition, Mr. Chair, we will all recognize across the nation — Saskatchewan not being unique or singled out in anyway — but there were reductions in the CHST, the Canada Health and Social Transfer fund, from the federal government to the provinces that impacted on this province and every other single province across the nation.

And so we have a point today, Mr. Chair, where the funding from federal government for the support of post-secondary education in 2001 in fact is less than it was in 1992. And that's true in our province as it is in every other province in the nation. And it is impossible, Mr. Chair, for anybody to look forward to significant, sufficient funding, sustainable funding for post-secondary institutions without looking at the important responsibility for the federal government to participate.

First ministers have said that. Our premiers have said that. Our ministers of Finance have said that. Ministers of Education have said that. When the Western premiers met in this province just a couple of weeks ago, again, they said that, that we need in this country a commitment — a larger commitment — from the federal government in support of Post-Secondary Education and Skills Training in this nation.

And I point out as well that over the last decade while the funding has been going . . . is still at a lower rate, the demands, the legitimate demands, for training have been rising across the nation as we live in a world of lifelong learning, Mr. Chair, in which the demands of our universities but other post-secondary institutions have been increasing and Canadians expect all of us, collectively, to work together to respond. And we must.

And in that, I would ask for the hon. member and his party to join with us in a collaborative kind of effort to send a single united voice together with the students across the nation in calling on the federal government to step to the plate and become a greater player in the funding of post-secondary

education, including our universities.

Now coming to the question, the specific question upon which the hon. member concluded and asked about funding for universities. And the hon. member asked, what is the projected funds going to the universities.

The answer . . . the budget is the budget. The way the system works is that the budget is determined within the balance of all the provincial spending, and then that's allocated to the universities and then they receive that and within the university operations allocate it as they see fit. So the budget that is provided for them is what's there.

Specifically, the University of Regina, in the previous fiscal year there was \$50,935,600 in provincial funding to the base operating grant, which has now increased in this budget to \$52,583,000.

The University of Saskatchewan in the previous fiscal year, the provincial funding from the taxpayers of Saskatchewan, \$135,663,200, which in this fiscal year rises to \$145,784,600 — yes, \$145,784,600. I want to make sure we say that clearly. My apologies if I was incorrect.

In addition to that, Mr. Chair, as I've said a little earlier, there's \$3 million additional dollars to be allocated through the university funding formula in addition to those amounts. That will be determined shortly.

As well, Mr. Chair, there is seven . . . if you want the specifics I can give them to you, but there is an additional increase in funding to the federated colleges in total, from \$7,096,300 last year, to \$7,681,900 this year. And as well to . . . and the affiliated colleges then, Mr. Chair, increase in their funding from 448,000 last year, to 463,700 this year.

There is also, Mr. Chair, I should point out, some research funds that flow to the universities that don't flow through the Department of Post-Secondary Education and Skills Training. The matching research fund itself is \$10 million. But that doesn't include some of the health funding and so it would be some figure in excess of that — I don't have the specifics here — that would flow to the universities for research.

So, Mr. Chair, I trust that answers the hon. member's question. I look forward to his next question.

Mr. Hart: — Mr. Chair, the minister when he indicated his government's reasons for less than adequate funding to the universities, I was not surprised when he embarked . . . First of all he basically, if I interpreted his comments correctly, he said, basically said to the university, well this is all the money you're going to get and you guys go out there and do what you have to.

And they did — they raised their tuition fees. And plus, you know, they're making do with whatever fund . . . whatever they can do to cut corners. And I'm afraid that perhaps — I certainly hope that isn't the case — but my fear is that there could be a loss in quality.

But it didn't surprise me then the minister went on to sing the 1980s blues that the public . . . we hear so often from that side

of the House — but no one's really listening to that song any more; it's been off the hit parade for four or five years — and went on to blame the federal government for the lack of funding.

And in the meantime his government is sitting on the \$500 million in the Fiscal Stabilization Fund and another \$200 million in the Crown dividend fund or tucked away in the Crowns, that they could very easily tap into some of that money and make a significant . . . make a statement in post-secondary education.

But oh no, the members say no, we're not going to spend; that's the message we're getting from this government — we're not going to spend on post-secondary education. So I'm sure the people in Saskatchewan are listening to that message and will certainly make note of that.

However we should perhaps get on. The hour's getting late and I would like to perhaps ask the minister a question as far as the adjustment funding that Mr. DesRosiers proposed. I believe his last report was last June. And I would . . . I understand that the minister makes those calculations as to — I think he said that there was \$3 million in that adjustment funding — and I understand his department makes those calculations.

Two questions. How much additional funding under that adjustment funding did the U of S get? And when will they know what figure they will be getting for this next coming academic year?

The Chair: — Order. Would members please come to order so that the questions can be asked and the answers can be heard. Thank you.

Hon. Mr. Hagel: — The hon. member for Cannington is waving the white flag, Mr. Chair, but I insist on the opportunity to answer the question, Mr. Chair.

In response to the hon. member's question, the university funding formula has available some . . . has available \$3 million. The data has now been — the final data — has just been received now from the universities. And it is, I expect, that the allocations will be next week. They're very, very shortly.

The data is looking as though it points pretty clearly to the distribution of funds being similar to what it was last year, with the funding appearing to be directed to the University of Saskatchewan and a couple of the federated colleges. That's what the case was last year. I can't be specific because the final calculations haven't yet been done.

The Chair: — It now being near 5 o'clock, this House now stands recessed until 7 p.m.

The Assembly recessed until 19:00.