

The Assembly met at 10:00.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Ms. Draude:** — Thank you, Mr. Speaker. I have a petition to present today from people from the Kelvington area:

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 Kelvington health care centre be maintained at its current level, offering 24-hour acute care, emergency, and physician services and that laboratory, health care, home care, and long-term care services be readily accessible to users from Kelvington and beyond.

As I said, Mr. Speaker, everyone that has signed this petition is from Kelvington.

**Mr. Hillson:** — Mr. Speaker, my petition this morning is concerning a restoration of Old Government House in Battleford. The prayer reads as follows:

That your Hon. Assembly may be pleased to designate the restoration of Territorial House in Battleford as a centenary project and provide the necessary funds to complete this project prior to the 2005 Saskatchewan centennial.

Your petitioners come from North Battleford, Cochin, Edam, Gallivan, and Battleford.

I so present.

**Mr. Stewart:** — Thank you, Mr. Speaker. I rise today 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 this petition is signed by individuals from the communities of Avonlea, Spring Valley, Moose Jaw, and Briercrest.

I so present.

**Mr. Wall:** — Thank you, Mr. Speaker. I rise again on behalf of people from southwest Saskatchewan concerned with their hospital facilities in the area. 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.

Mr. Speaker, petitioners signing today in this morning's petition are from the city of Swift Current, Ponteix, Webb, Waldeck, Elrose, Hazlet, and Leader, Saskatchewan.

I so present.

**Ms. Bakken:** — Mr. Speaker, I rise today to present a petition on behalf of the citizens of Weyburn-Big Muddy. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to take the necessary steps to ensure that services are maintained at least at their current level at Weyburn General Hospital, Bengough Health Centre, Radville Marian Health Centre, and Pangman health centre, in order that accessible health care services are available to residents of Weyburn-Big Muddy constituency and beyond.

And the petition is signed by residents of Bengough.

I so present.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I too have a petition dealing with health care. The prayer reads:

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 affirm its intention to work to improve community-based ambulance services.

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

These petitions, Mr. Speaker, come from the communities of Gainsborough, Storthoaks, Redvers, Antler, Moosomin, Regina, Bellegarde, Glenavon, Manor, and Maryfield, Mr. Speaker.

I so present.

**Mr. Weekes:** — Thank you, Mr. Speaker. I rise again to present a petition from citizens calling for the immediate implementation of a province-wide 911 emergency service. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause government to fulfill its promise to the people of rural Saskatchewan by immediately implementing the 911 emergency telephone system province-wide.

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

Signed by the good citizens of Rabbit Lake.

**Mr. Bjornerud:** — Thank you, Mr. Speaker. I have a petition to present 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 signatures, Mr. Speaker, are from Kamsack, Togo, and Mikado.

I so present.

**Mr. Brkich:** — Mr. Speaker, I have a petition with citizens opposed to possible reductions in services at Davidson and Craik health centres.

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 Davidson and Craik health centres be maintained at their current level of service at a minimum, with 24-hour acute care, emergency, and doctor services available, as well as lab, public health, home care, and long-term care services available to users from the Craik and Davidson area, and beyond.

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

Signed by the good citizens from Bladworth and Davidson.

I so present.

**Mr. Allchurch:** — Thank you, Mr. Speaker. Mr. Speaker, I rise in the Assembly again to bring forth a petition from citizens of the Shellbrook-Spiritwood constituency and their concerns regarding the cellular telephone coverage in the area. And the prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to provide reliable cellular telephone service in the districts of Spiritwood, Medstead, Glaslyn, Leoville, Chitek Lake, Big River, Canwood, Debden, Shellbrook, Parkside, Shell Lake, Duck Lake, and Macdowall.

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

And the signatures on this petition, Mr. Speaker, are from Lloydminster, Saskatoon, Leoville, Chitek Lake, and Spiritwood.

I so present.

**Mr. Peters:** — Thank you, Mr. Speaker. I have a petition signed by folks that are concerned about the high cost of energy. And the prayer reads:

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 rate rebate to Saskatchewan consumers.

Mr. Speaker, the petition is signed by folks from Neilburg, Unity, and Marsden.

I so present.

**Mr. Huyghebaert:** — Thank you, Mr. Speaker. Mr. Speaker, today I rise with a petition from citizens concerned with the future of ambulance service in rural Saskatchewan, and 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 affirm its intent to work to improve community-based ambulance services.

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

Mr. Speaker, this petition is signed by good citizens of Coronach and Regina.

I so present.

### READING AND RECEIVING PETITIONS

**Clerk:** — According to order petitions presented yesterday on June 14 regarding providing a more substantial energy rate rebate to Saskatchewan consumers has been reviewed and pursuant to rule 12(7) is found to be irregular and therefore cannot be read and received.

According to order the following petitions have been reviewed and they are hereby read and received. And they are petitions that are addendums to 11 previously tabled petitions.

### INTRODUCTION OF GUESTS

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. Mr. Speaker, this weekend the Saskatchewan Association of Rehabilitation Centres and SARCAN are having their annual meeting here in the city. And in your gallery, Mr. Speaker, are the representatives of a number of different community-based organizations throughout the province who will be attending the annual meeting this weekend.

And I would firstly like to introduce Glen Holmwood. Glen is the president of the Board of Directors of the Porcupine Opportunities Program in Porcupine Plain; my former employer, Mr. Speaker. Glen has also served on the Board of Directors of SARC (Saskatchewan Association of Rehabilitation Centres) as well.

Seated next to Glen is Hugh Macdonald. Hugh is the managing director of Handi-Works in Nipawin, and Handi-Works is the agency in Nipawin that provides residential, vocational, and employment services to people with disabilities. Next to Mr. Macdonald is Mr. Bob Taylor. Mr. Taylor is vice-president of Handi-Works in Nipawin, and Mr. Taylor was just recently elected to the provincial Board of Directors of SARC as well.

Accompanying these three gentlemen this morning are Kim Krueger, who is the regional coordinator for SARCAN for the southeast region. And I might add that Kim is an avid skydiver as well. And sitting next to Kim is Sandra Pratt. Sandra is the president of the Board of Directors of Handi-Works and the vice-president of the Saskatchewan Association of Rehabilitation Centres, and I believe the Chair of the SARCAN

committee . . . of SARC.

So I would ask all members to join with me in welcoming these guests here this morning.

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

**Mr. Harper:** — Thank you, Mr. Speaker. Mr. Speaker, it's my pleasure to introduce to you and through you to all the members of the legislature a group of 27 grade 4 students from the Ruth Pawson School in my constituency and they're seated in your west gallery, Mr. Speaker.

And they're accompanied here today by their teacher, Sharon Malley, and I understand the group is going to take in some of the proceedings of the House, tour the legislature, and I'll have the opportunity to meet with them later for a photo and some refreshments.

I ask all the members to offer them a very warm welcome.

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

**Mr. Stewart:** — Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to all members of this Hon. Assembly, a group of 27 grade 3 to 6 students from Chaplin School seated in the east gallery.

The students are accompanied by their teachers, Teresa Chicoine and Debbie Waldenberger, and also chaperone, Lisa Fisher.

I hope that everyone will have an educational, interesting, and fun day here in their building, and I ask all members to welcome them.

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

**Mr. Thomson:** — Thank you, Mr. Speaker. I was enjoying the last introduction so much I almost forgot to introduce my own school group.

I have a group sitting in the west gallery from Massey School. This is the second group from Massey that we've had here this session. It's a group of 26 grade 5 students. They are accompanied by their teacher Ms. Horst; and two chaperones, Mr. Anderson and Mr. Benson.

I note that they have requested a French or bilingual tour, but fortunately only an English visit from the MLA (Member of the Legislative Assembly), so I should be able to accommodate them on that. And I would like very much to have all members, and you, Mr. Speaker, welcome my guests to the gallery today.

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

**Mr. Wiberg:** — Thank you, Mr. Speaker. I want to join with my colleague from Carrot River in welcoming the people here with SARC and SARCAN (recycling company). But a special welcome, Mr. Speaker, I want to do to you and through you to the rest of the Assembly, is Sandra Pratt, who although she's in Regina today, spends most of her time in Love.

Mr. Speaker, I'd ask you and all members of the Assembly to please join me again in welcoming Sandra to the Assembly.

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

**Hon. Mr. Sonntag:** — Thank you, Mr. Speaker. It's my pleasure to introduce to you several guests seated in your gallery today. First of all, someone who will be fairly familiar to people in the building is one of my ministerial assistants, Joy Strueby. But I don't want to say more importantly, seated beside her in fact, joining us from Richmond, BC (British Columbia) today is her mother, Eleanor Milne.

And I would ask all members of the Assembly to please join me in welcoming them here today.

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

**Mr. Wall:** — Thank you, Mr. Speaker. It's a privilege to introduce to you and through you to all members of the Assembly, a guest seated in your gallery, and a constituent of Swift Current. It's Mr. Len Ens, a long-time radio personality at CKSW in Swift Current, and a very active member of the community.

I'd ask all members to join with me in welcoming Len to the Legislative Assembly.

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

## STATEMENTS BY MEMBERS

### Health Care Strike

**Mr. Gantefoer:** — Thank you, Mr. Speaker. Mr. Speaker, I rise this morning to express the gratitude of the official opposition to those who went above and beyond during the health care strike.

First of all, to those affected directly: to the seniors who put up with much disruption and reduced service; to those whose medical procedures were delayed or cancelled; to those who had important medical tests delayed — thank you for coping as best as you could through this strike.

To the countless volunteers, family members, and out-of-scope personnel who laboured through very difficult times, spending countless hours caring for loved ones despite being dead tired at times — thank you for your love and commitment to those in need. You embody the spirit of Saskatchewan.

(10:15)

To Vince Ready for his mediation role — thank you for your wisdom and energy to spend 42 non-stop hours leading to a solution.

Finally to the Minister of Health for being able to listen to suggestions from the official opposition. On Monday we suggested that a mediator be brought in — the minister listened. On Tuesday we asked that additional workers be added to Pioneer Village and Santa Maria homes — they were. Yesterday we asked that workplace issues be addressed — \$4.5

million were added. Thank you for realizing our suggestions were positive steps to a solution in this strike. We can only hope that he will not place this province in this position again.

Thank you.

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

### Saskatoon Hosts Special Olympics

**Hon. Mr. Serby:** — Thank you very much, Mr. Speaker. Last Friday the member from Saskatoon Eastview spoke about a very important exciting event — The Special Olympics. Later on that same day our Premier was pleased to attend the kickoff of that weekend's activities and the opening ceremonies.

For the Special Olympians the opening ceremonies was a culmination of years of hard work and disciplined training; and because the games are held only once every four years, the opening ceremonies and the ensuing competitions were even more exciting for all the athletes, the spectators, and the volunteers involved.

Mr. Speaker, though the Special Olympics are about athlete competition they're about giving Special Olympians the opportunity to be part of a team, to be dedicated to their endeavour, and to achieve success. And the Special Olympian's mission statement attests to this. It uses sports to assist people with a mental disability to become all that they can be — physical, mental, social, emotional — and to become accepted, respected, and productive members of society.

Mr. Speaker, on behalf of the Premier and all members I again want to offer my congratulations to Co-Chair, Angie Ginther, and the organizing committee who have succeeded in putting on a world-class event. Most of all, I want this morning, Mr. Speaker, to congratulate the athletes on their accomplishments and to wish them luck in their future competitions.

Thank you, Mr. Speaker.

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

### Bladworth Elks Club to Host 2003 Provincial Elks Men's Curling Championship

**Mr. Brkich:** — Thank you, Mr. Speaker. I rise in the House today to talk about a remarkable achievement by the Elks Club in my hometown of Bladworth. This past Tuesday, Elk clubs from around the province met at Kindersley for their Annual Provincial Elks Association Meeting. There Bladworth bid with another town to host the 2003 Provincial Elks Men's Curling Championship. And my regrets to the member from Rosetown-Biggar. The other town being Biggar, Bladworth beat out Rosetown.

So I'm pleased to announce that Bladworth Elks Club won the right to host this event, which will be the second time for these gentlemen as they hosted this event in the winter of 2000.

I would like to congratulate the members of the Bladworth Elks who did a fine job of making a presentation which won the judges over. I'd like to thank Doug Ames, Neil Palmer, Lyle

Kowalski who is the exalted ruler of our branch, and also Mayor Jim Cross of Davidson, who made a great presentation about the excellent facilities and services in Davidson where the event will be held. I know that this event will be successful as the last event and perhaps even bigger this time around.

As a member of the Elks myself, I know that we've a fine group of gentlemen who have done a lot for our local community and our province.

I would ask the members join me in congratulating the Elks committee of Bladworth.

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

### Passage of Parental Leave Legislation

**Ms. Jones:** — Thank you. Yesterday, Her Honour the Lieutenant Governor gave Royal Assent to the amendments to The Labour Standards Act

Because these amendments were so time-sensitive, I want to thank all members for their understanding and co-operation. The media, of course, focus on the gladiator arena of question period. More often than not though, we co-operate for the good of all of our constituents.

In particular, I thank members on behalf of the many birth mothers and primary caregivers of adopted children who now have their jobs protected for the full 52 weeks. As well, birth fathers and spouses of primary caregivers are now eligible for 37 weeks of job-protected parental leave.

This is the kind of thoughtful, progressive, family oriented, compassionate policy for which our province is known across Canada. We have been called Canada's social laboratory, a term which gives me a great sense of pride. And I know I'm not alone. We are not the first province to align our legislation with the federal amendments, but it is more than appropriate that we join.

As I said last Friday on second reading, the reason for this Bill is profoundly simple. The first year of a child's life is critical to his or her psychological and physical development and parents deserve every opportunity to share in the joy of all of those firsts — first smile, first step, first words and on.

Mr. Speaker, yesterday was a good day in the legislature, and I was proud to be a part of it.

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

### Political Fundraising

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. Mr. Speaker, there certainly has been a lot of talk lately about political donations and the fundraising practices of various political parties in this province and, in fact, throughout the country. As we all know, in this day and age, you really can't have a strong political party without a strong fundraising base.

Mr. Speaker, I recently had a look through the financial returns of the various Saskatchewan political parties. One page in those

returns really caught my eye. Under the section detailing contributions from other sources such as sales of tickets, rallies or other fundraising functions, both the Saskatchewan Party and, surprisingly enough, the NDP (New Democratic Party) did fairly well, each with six figure support. And the Liberals, 32, not 32,000 — \$32.

If political support can be borne out in fundraising, I think we have to say that Liberal Party members have turned a thumbs-down on the coalition.

Now I would hope that the Liberals do the right thing and give the member from North Battleford his rightful portion — 10 bucks — and the outgoing leader who's suing for back pay should be given his rightful portion of the remaining \$20, Mr. Speaker.

Thank you.

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

#### **Rawlco Communications Makes News**

**Hon. Mr. Lautermilch:** — Thank you, Mr. Speaker. Rawlco Communications has been making news as well as reporting it this session. There was a substantial donation to the SIFC (Saskatchewan Indian Federated College) College of Commerce in Saskatoon earlier this winter, and Rawlco is a major partner in the Saskatchewan Dream program, the program which celebrates the accomplishments of Saskatchewan businesses and individuals.

Now, Mr. Speaker, there are two more newsworthy items worthy of attention, particularly I guess the attention of you and myself, because they originate in our city of Prince Albert.

First, Jim Scarrow, a long-time fixture on the airways of Prince Albert, has just been named Broadcaster of the Year by the Western Association of Broadcasters. You and I and everyone else in Prince Albert have been listening to Jim on CKBI since 1964, and I gather that he has been employed for 47 years by Rawlco. Not only is he a broadcaster and now general manager of Rawlco's two stations in Prince Albert, he's also been an active citizen involved in our community. Our congratulations to Jim on a well-deserved award.

Now earlier I said, Mr. Speaker, two stations. Well now we have to make that three. As of yesterday, Rawlco has launched a new FM station at 101.5 FM, for everyone's information. This is good news for Prince Albert. I think it's a very true sign of confidence the private sector has in Prince Albert and in Saskatchewan.

Thank you.

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

#### **Father's Day**

**Ms. Draude:** — Thank you, Mr. Speaker. This weekend will mark a special celebration for families everywhere. That's because this Sunday, Mr. Speaker, is Father's Day.

There'll be those who will be honouring their fathers in many ways this weekend. They'll hold backyard barbecues, they'll take him out for supper, make him his favourite breakfast, help him out with weekend chores, and generally just find countless ways to say thanks, Dad; we love you; you're the best.

Mr. Speaker, besides food, there'll be gifts like tools and shirts and ties and socks and all kinds of electronic gadgets that may or may not have a remote control. There'll be funny cards, sentimental cards, or romantic cards. And even cards for dads that come from the family pet.

But in the midst of these celebrations, Mr. Speaker, we must not forget these families whose fathers are no longer with them. They will be remembering Father's Day this Sunday, but instead of marking the day with gifts, they'll be marking it quietly with a wreath of flowers. While these fathers may no longer be there, they'll never be forgotten.

Mr. Speaker, to fathers everywhere from all members of this House, our sincere appreciation for all that you are and all that you've done. A father's love, honour, courage, and commitment knows no bounds and has impacted our lives in many positive ways.

Thank you, dad.

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

#### **Athletes Excel at Provincial Track Meet**

**Hon. Mr. Sonntag:** — Mr. Speaker, Pat Mitsuing and Richard Ben of the Makwa Sahgaiehean First Nation have proven to be another Saskatchewan success story. These two athletes travelled to Yorkton to compete in the high school provincial track and field competitions earlier this month.

Pat competed well all weekend, Mr. Speaker, but the highlight for him, and possibly of the whole meet, was the junior boys high jump. When only three competitors remained at a height of 1.80 metres, Pat was one of them. He cleared this height on his first attempt and watched the other two jumpers miss. He had clinched first place but he had wanted to continue to see how high he could jump.

Mr. Speaker, when he finally did miss three in a row, the bar was at 1.92 metres meaning his final clearance height was 1.90 metres. All this from a young man who stands only 1.74 metres tall.

As well, Mr. Speaker, I'd like to mention that Richard Ben who was not about to let Pat be the only medallist from the Makwa Sahgaiehean First Nation. His size and extremely fast arm helped him bring home the bronze medal in the senior boys shot put.

Mr. Speaker, I would like all members to join with me in congratulating these two fine young athletes and all those who participated in high school track and field throughout our province. Thank you very much.

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

## ORAL QUESTIONS

### Funding for Health Care Settlement

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

There was a collective sigh of relief from the general public across the province this morning when they heard the good news that a new contract proposal has been reached between SAHO (Saskatchewan Association of Health Organizations) and CUPE (Canadian Union of Public Employees) members.

Family members of long-term care patients especially were glad to hear that the health care needs of their relatives would once again be met by the people most capable of meeting their needs.

Our understanding is that the deal reached is a three-year contract consisting of a 9 per cent wage increase over the term, more money for employee pension plans, and an additional \$4.5 million to pay for overtime and extra shifting.

Mr. Speaker, will the minister explain to this House if the wages, pensions, and overtime money has been already allocated in the provincial budget, and if it hasn't will the minister assure health districts that the money will not have to come out of their existing budgets?

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

**Hon. Mr. Nilson:** — Mr. Speaker, what I would first like to say is thank you to all of the people of Saskatchewan who have supported what has happened in this week as we've resolved this issue. And that goes to the workers who were inside helping out, those workers who were bargaining, those who were volunteers that came to help families, and the out-of-scope people who did very, very good work.

What I would say to the member opposite is that the bargaining has gone on within the framework that we have within our overall budget, and the plan is that this will be part of our budget planning, so it is part of what we're doing.

The other thing I would say is that it was pretty disappointing to me that the member opposite would get up and try to take credit for some of the things that went on this week given, given the attitude that they had around this particular incident.

And so I guess what I would say to the member is let's get on board to work together.

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

**Mr. Gantefer:** — Mr. Speaker, this is the second health care strike in three years. After the 1999 nurses' strike, the government said workplace issues should be addressed. Yet today we can talk to any registered nurse in the province, and you'll hear that many of the concerns they expressed about workload, understaffing, and other issues in the workplace have not been dealt with.

So it begs the question whether anything will really change for CUPE workers because of this agreement. I assume that the

extra \$4.5 million for overtime and extra shifting is part of this, but allowing and paying for more overtime does not necessarily mean less workload when there are no more staff available to be hired to carry that load.

Mr. Speaker, will the minister explain what workload issues are to be addressed in this contract? And more importantly, how in the world does he plan to deliver the extra workers that are going to be needed to live up to those commitments?

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

**Hon. Mr. Nilson:** — Mr. Speaker, I'm going to start out with the premise that at least on this side of the House, we would plan for working with the workers to get more money for this particular option. We know that in the budget that those people ran on in '99, it would have been a zero amount. And we would have had many, many more problems.

What we are going to be doing, and will continue to do, is allow those workers to bargain with the employers around all of these issues. They're continuing to do that. These moneys relate to operational issues; they relate to some of the other kinds of costs that have been identified around the workplaces. They are continuing to work on those ones. Let them do that job without interference from this place.

(10:30)

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

**Mr. Gantefer:** — Mr. Speaker . . . Mr. Speaker, it took a six-day strike by CUPE workers in this province before the government put forward \$4.5 million targeted for extra shifts and overtime costs. We can assume now that the same offer . . .

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

**Mr. Gantefer:** — Mr. Speaker, we can assume now that the same offer will be made to the SEIU (Service Employees' International Union) union which is also presently negotiating with SAHO for a new contract.

One has to wonder, if the government has more money for pension and millions more to contribute for workload issues, why didn't they even put more of this new money on up front so they could have averted a strike altogether? This is most likely what will happen in the SEIU strikes. Why couldn't it have happened in the CUPE strike?

Mr. Speaker, if the minister was prepared to put up more money to deal with the pension and workload issues, why wasn't this done earlier in the negotiations in the interest of averting this past six-day strike?

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

**Hon. Mr. Nilson:** — Mr. Speaker, we on this side of the House will allow the parties to bargain. What we know from earlier in the week that there were so many issues that it was even very difficult for a very experienced mediator, Mr. Ready, to identify those ones which could be solved.

After some very extensive discussion with the parties, those kinds of issues were narrowed down to the point where the resource questions could be answered.

That's what's done. That's how you resolve these matters. And I would ask the member to participate in the community and allow for people to solve these problems at the bargaining table, where they should. That's what we're going to support on this side of the House. I ask the member to do the same.

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

#### Langham Senior Citizens Home

**Mr. Weekes:** — Mr. Speaker, my question is for the Minister of Health. Since 1995 the Langham Senior Citizens Home has been operating with 28 beds — 17 which are publicly funded by the Saskatoon District Health Board and 11 that are private care beds.

In December, 1999 the home applied to the Department of Health for a personal care home licence for eight new beds in their facility. The home has a substantial waiting list and a good record of care and co-operation with the health district. The management company responsible for the home is considerably frustrated with the 18-month delay in any response from the Department of Health to their application.

Mr. Minister, will the . . . Mr. Speaker, will the minister explain why it's taking so long to make a final decision and what is the present status of this long-term care home expansion application?

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

**Hon. Mr. Nilson:** — Thank you, Mr. Speaker. The districts work together around planning the kinds of care that's in their community, but there are also issues around personal care homes and how those homes fit together with long-term care facilities. There's some very difficult principles that we are all working on together around the kinds of questions that the member raises.

And we will continue to look at that because it does relate to the issue between private hospitals and publicly funded hospitals. Because of that, this will take a while longer and it will be part of the discussion of the Fyke report. It's also part of the discussion that the Romanow Commission is looking at.

So what I would say is that this is a broad issue that we're looking at very carefully.

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

**Mr. Weekes:** — Mr. Speaker, the waiting list situation for long-term care home beds in Saskatchewan is serious. In Saskatoon the closing of one aging facility has led to public protests and considerable concerns about where the residents will find a bed.

In Langham we have a facility that combines public and private beds and has been operating successfully . . .

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

**Mr. Weekes:** — In Langham we have a facility that combines public and private beds and has been operating successfully in the community for many years. This is an excellent example of how one facility can provide a valuable service to the health system, while at the same time helping health districts deal with their fiscal boundaries.

There's a strong demand in Saskatchewan for more long-term care beds that will allow more people to stay in communities where they have spent their lives. The delay in dealing with Langham Senior Citizens Home by the Department of Health is unacceptable, given the problems in our health system and the need for workable solutions.

Mr. Speaker, will the minister commit to dealing with this application immediately?

**Hon. Mr. Nilson:** — Mr. Speaker, what I will commit to is dealing with this particular issue, which is a very broad issue, very thoroughly and as part of our overall review of the system of health in Saskatchewan. So what that means is that we will continue to look at that particular situation and all of the issues around long-term care.

What I would say though is that this government has committed to working on many integrated facilities where long-term care has been organized with the help of the local communities and the health districts, and we're going to continue to work with communities right across this province as we provide the service that these people require.

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

#### Review of the Saskatchewan Liquor and Gaming Authority

**Mr. Heppner:** — Mr. Speaker, on May 25 the Saskatchewan Party asked the minister of Liquor and Gaming about free trips to the Bahamas and other alleged violations of the liquor and gaming Act by Liquor and Gaming officials.

The minister said the matter was under investigation by a retired judge and when that review was complete, she would be delighted to share it with the members of the Assembly.

The NDP House Leader backed up that promise. He said, and I quote — using his best Don Cherry pose — “When the results are complete, they will be made public.”

Now the NDP is breaking that promise. The minister has read the report, Mr. Speaker, but she's refusing to release it. She's refusing to release it.

**The Speaker:** — Order. Order, order. Order. The members will allow the member to put the question.

**Mr. Heppner:** — Thank you, Mr. Speaker. And as Mr. Speaker knows, imitation may be the best compliment you'll ever get.

The minister has read the report but she is refusing to release it. Obviously she's trying to hide something. Mr. Speaker, what is

the NDP hiding? And why are they breaking their promise to release that report?

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

**Hon. Ms. Hamilton:** — Thank you, Mr. Speaker. And yes, Mr. Speaker, I had said many times before — as my colleague has said — when the review is complete, actions that I would take, the results, the conclusions of that review would be made public.

Mr. Speaker, I would want to release the full report. That has been always my position, Mr. Speaker. I will release the report subject to any possible further investigations that would rule out that possibility for me, Mr. Speaker.

Let's wait for the review. The terms of reference say that Justice and the Attorney General's department should look at these as the member opposite suggested. Let's wait. And it would be my intention subject to that, that that would be our intent to do so, Mr. Speaker.

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

**Mr. Heppner:** — It will be interesting, Mr. Speaker, to compare today's answer with her answer in *Hansard* on May 25. All the extra paraphernalia she threw in wasn't there.

Mr. Speaker, the minister is now saying that Justice Wakeling's report may need to be turned over to the Department of Justice for further investigation. But before that happens, before it happens, Liquor and Gaming officials will get to review a draft copy.

Mr. Speaker, what sense does that make? The minister referred to this investigation as an independent investigation on several occasions. Since when does a judge give a draft copy of an independent investigation to the very people that he's investigating, Mr. Speaker?

To the minister: why would SLGA (Saskatchewan Liquor and Gaming Authority) officials get to review a draft copy of Justice Wakeling's report before it goes to the Justice department, particularly when it's SLGA's officials that are being investigated?

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

**Hon. Ms. Hamilton:** — Mr. Speaker, retired Justice Wakeling has been contracted by SLGA to follow up on the allegations made following another process that was in place, as the member opposite full well knows.

Mr. Wakeling had terms of reference that were handed over on two occasions to the members opposite, and had been tabled in this House. One of those is to say that those . . . the review when completed would be looked at by the Department of Justice.

But since it's a contract by SLGA to make sure that the terms of reference are met, Wakeling is giving the report to say have we met all of the requirements that you asked. It's no intent . . . and, Mr. Speaker, I would not want the members opposite to

infer that Justice Wakeling would change his report on the advice of SLGA officials.

But we have a contract and the complete terms of reference must be made and completed for that to be a complete report, Mr. Speaker.

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

**Mr. Heppner:** — Thank you, Mr. Speaker. We have no concerns about Justice Wakeling fiddling with that report. We have a concern about that minister fiddling with it, Mr. Speaker.

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

**Mr. Heppner:** — This whole thing, Mr. Speaker, smells. The NDP's Liquor and Gaming Authority have put together a long track record of incompetence, mismanagement, and cover-up.

For years they looked the other way while millions were being misspent by SIGA (Saskatchewan Indian Gaming Authority). Then they fire their lead investigator for providing evidence to the RCMP (Royal Canadian Mounted Police). Then they fire another employee, Mr. Speaker, who said Liquor and Gaming officials were breaking the law. And now the NDP is refusing to release the judge's report on those same allegations after both the minister and the NDP House Leader promised it would be released without it being fiddled with.

My question is for the Premier: how long will the Premier put up with this? Will the Premier demand that his minister live up to her promise and release that report?

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

**Hon. Ms. Hamilton:** — Mr. Speaker, that member opposite has a long list of totally incorrect information on how SLGA has been handling many of the affairs related to SIGA and other events that have occurred.

As a point in fact, Mr. Speaker, in the Provincial Auditor's report, he said in a new industry where we need to work together in partnership to make sure all of the controls and procedures in place, he believed that the organization was doing a good job in making sure those were in place. And he encouraged them to continue on the course of action that they were taking, Mr. Speaker.

Now to come forward and to totally twist the kind of history that that member is trying to do does a great disservice to 800 hard-working men and women in the Authority.

Now, Mr. Speaker, to somehow suggest on one question that Mr. Wakeling will change his report on our advice or SLGA's advice, he's backtracking again, Mr. Speaker. What we're saying, when we see the results of that report . . .

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

#### **Political Donation by the Saskatchewan Indian Gaming Authority**

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, in 1998

and 1999, the Saskatchewan Indian Gaming Authority donated thousands of dollars to the NDP and the Liberals. In his Fall 2000 Report, the Provincial Auditor said political parties should not be accepting donations from SIGA.

The NDP did promptly return this money; however, the Liberals decided to keep it. They say that they have no intention of paying it back.

Mr. Speaker, the auditor says, and I quote:

Liquor and Gaming should ensure SIGA follows Liquor and Gaming policies for political contributions.

That means the minister is responsible to ensure the Liberals return this money. Mr. Speaker, what steps is the minister taking to demand that the Liberals return these improper donations?

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, I want to say to the House that the role of the government and the role of government members is to respond to questions with respect to policy and with respect to programs. If that member has some concern with respect to the actions of the Liberal Party, then she should contact the president of the Liberal Party of Saskatchewan or the Liberal Party of Canada, have it cleared up there.

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

(10:45)

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, the Provincial Auditor says SIGA, a government department, should not be donating to political parties

**An Hon. Member:** — Agency.

**Ms. Eagles:** — Or agency, whatever. However, the Liberals have decided to ignore him. The federal Liberals say that they're keeping this money, and the provincial Liberals deny that they got any money in the first place, even though their own financial statements clearly show that the provincial Liberals received an improper donation of \$1,779 from SIGA.

Mr. Speaker, almost every day of the 1996 session the Liberal member from Melville got up in this House and demanded that other parties return what he called improper political donations. And now the auditor himself is saying that the Liberals received improper donations. The Liberals are refusing to return this money.

Mr. Speaker, to the Minister of Municipal Government: now that the Liberals have been caught accepting improper donations, why is his party ignoring the law?

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, if the member opposite has difficulties with the operations of the Liberal Party of Saskatchewan, or the Liberal Party of Canada, I would

suggest that she would contact the presidents of either of those organizations.

But while she's doing that, Mr. Speaker, what she might do is ask the PC (Progressive Conservative) Party or turn around and look around herself with respect to the PC metro fund, how they're accounting for their expenditures.

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

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, SLGA is responsible for SIGA. And now, Mr. Speaker, you can almost understand why the Liberals would want to keep this money after the Liberal leader raised a grand total of \$32 in the fund-raising event all last year. Really, Mr. Speaker, most eight-year-olds make more than that in a bike-a-thon.

But the fact remains, the auditor has declared SIGA donations to political parties to be improper, and they should be returned.

My question is to the Premier. Mr. Speaker, the Premier has two Liberal members in his cabinet who are ignoring the Provincial Auditor and the law. He has the Minister of Liquor and Gaming who is refusing to enforce the law.

Is the Premier going to take action or is he going to sit back and do nothing? Mr. Speaker, what is the Premier going . . . doing to demand that the Liberals return these improper donations?

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, this is an example of just how ludicrous the actions of this opposition have been. Here we have an agricultural community in this province in some pretty serious difficulties. We have a major report with respect to . . . and study on the future of health care in this province, and people are concerned about that.

Mr. Speaker, we have an economy in this province that has been growing. They won't recognize it.

But do you know what the question is? The question is what about the Liberal Party? What about the Liberal Party's actions?

Mr. Speaker, this is about credibility of this opposition. I suggest they focus on the issues the people of Saskatchewan really care about.

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

### Control of Gopher Population

**Mr. Peters:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Agriculture.

Mr. Speaker, the RM (rural municipality) of Turtle River has declared a state of emergency. Farms in the RM have been overrun by thousands of gophers. The RM says the problem is that the government-regulated gopher poison does not contain enough strychnine to do the job. Gophers have become a serious problem in many other areas of the province as well.

I understand, Mr. Speaker, the Department of Agriculture has

been drafting an application to the federal government to increase the amount of strychnine in gopher poison. Mr. Speaker, has this application been forwarded to the federal government and when does the minister expect an answer?

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

**Hon. Mr. Serby:** — Mr. Speaker, I'm very pleased to answer this question on this tough little rodent because this little character has been creating a great deal of havoc in Saskatchewan all right, without any question. And he's not alone in terms of creating havoc in Saskatchewan, Mr. Speaker.

I want to say to you, Mr. Speaker, that we have had a conversation with the federal Agriculture department, Mr. Speaker.

What we've done is we've also talked to the SARM (Saskatchewan Association of Rural Municipalities) because what we're interested in doing here is seeing if we can enrich the chemical that's being applied today to destroy some of the gophers. And we've asked SARM if we might be able to use some of their staff, their rat control people across the province. We've had the discussion with the federal government about getting that kind of permission. We're going to be educating some of the people who work for SARM on the process of administering it.

And we should hope to have that program in place within the next couple of weeks, Mr. Speaker.

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

**Mr. Peters:** — Thank you, Mr. Speaker. Mr. Speaker, once again, the NDP government is slow off the mark. The Saskatchewan Party has been raising this issue with the former minister of Agriculture, the current minister since last year. And the NDP is now taking action.

The Alberta government saw this problem coming earlier this spring. They applied and have been approved to use a higher percentage of strychnine since April. Meanwhile, the NDP didn't do anything until the problem reached a crisis level. And now the approval from Ottawa isn't expected for another several weeks like the minister said.

Mr. Speaker, why was the NDP so slow to act on this very serious problem?

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

**Hon. Mr. Serby:** — Well, Mr. Speaker, I want to say to the member opposite that this process we have in check in our view. It requires the conversation and a change in process with the federal government. We've completed that, Mr. Speaker.

But I want to say to the member opposite and to the Saskatchewan Party that when you talk about process in this province . . . and they need to listen, they need to think about process.

In this province, Mr. Speaker, today, we know what these people would do. Today the question's around health care, Mr.

Speaker. We know that in this . . . on this province today, if these people were in government, we would have seen no additional expenditures, Mr. Speaker, in health care. We'd have seen, Mr. Speaker, today a decline. Mr. Speaker, we would have not had a process where we had today. Workers who would have been legislated back to work in this province, Mr. Speaker, which the member from Melfort talked about, Mr. Speaker.

And this group of politicians, Mr. Speaker, are out of gas. There's no credibility on that side of the House. On this side of the House, Mr. Speaker, we work for the benefit of Saskatchewan people. On that side of the House, Mr. Speaker, they take us back to another 10 years in their process, Mr. Speaker.

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

## INTRODUCTION OF BILLS

### Bill No. 228 — The Election Amendment Act, 2001 (Financial Disclosure)

**Mr. Heppner:** — Mr. Speaker, I would like to move first reading of Bill No. 228, The Election Amendment Act, 2001.

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

## TABLING OF REPORTS

**The Speaker:** — Members of the Assembly, I've received a report . . . Order, please. Members of the Assembly, I've received a report from the Saskatchewan Legislative Library for the period ending March 31, 2000, and I hereby table the report.

## ORDERS OF THE DAY

## GOVERNMENT ORDERS

## ADJOURNED DEBATES

## SECOND READINGS

### Bill No. 22

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Osika that **Bill No. 22 — The Assessment Management Agency Amendment Act, 2001** be now read a second time.

**Mr. Wakefield:** — Thank you, Mr. Speaker. I would like to spend a few moments to discuss, maybe to a little further extent than we've had an opportunity before, to discuss Bill No. 22 called SAMA (Saskatchewan Assessment Management Agency). Here's an indication, Mr. Speaker, of some real frustrations in all part of Saskatchewan, including urban and including rural.

It was recognized some time ago that there had to be some consistency within the assessment and reassessment process within this province. That has moved forward into something called the SAMA and what we're seeing now is a great deal of

frustration over how this is being interpreted and how it's being implemented across Saskatchewan, in fact to the point where the frustrations are causing probably as many calls to my office as any issue at this particular time.

It's causing a great deal of frustration for many of the organizations that depend on property-based taxation because they certainly perceive the unfairness of the current regulations, and so moving forward with amendments, I think will be welcome. But we have to make sure that the right amendments are in place if we want to try and correct this situation and not continue to cause this level of frustration in all levels of municipal government.

It was determined back in 1997 when reassessment was instituted, that this was going to certainly make a bit hit on . . . and a big change on assessment or on property taxes. And I think, generally speaking, although people were very unhappy about it, they realized that maybe something had to be done and they accepted it even though it was a very large taxation increase for most people.

But the theory was, Mr. Speaker, that of course this would move ahead and we would have less of a change or less of a direct hit each time there was a change. This has not been the case. We're finding now that there is many, many shifts that are causing huge discrepancies in the tax bills that are being required to be paid based on the assessment of this organization.

The level of frustration has risen to the point where many of the RMs in my particular part of the country, and communities generally, are trying to get an outside assessment of their regions and reassess for their responsibilities. Granted it has to work within the guidelines of the SAMA regulations. But the fairness of the assessments have certainly been questioned and people have gone . . . or municipal governments have gone that extra step to get a private assessment done so that it can be in comparison.

I think the problem stems from the fact, Mr. Speaker, that the perception of fair market value has been somewhat questioned compared . . . when SAMA puts the fair market value assessment or fair-market-value-based assessment in place compared to what is really the fair market value as perceived by the owners of that particular piece of property that the assessment is applied against.

There's certain things that I think have to be done. One of them is to . . . if you're going to remain with fair market value, well then it should be based on something that is more reflective of the current situation and not a hypothetical fair market value.

If we could actually suggest it go one step further and have the assessment based on the value of the property in terms of revenue generating or how that property would be able to be assessed against its potential for generating revenue, that would be a very large step forward and I think that would be acceptable. And once we got into that kind of an assessment, then I think we would be going down the right road and we wouldn't be seeing the frustration levels that we're seeing now.

(11:00)

For instance, Mr. Speaker, we've been getting indications from businesses such as hotels that their assessment is going to jump over 400 per cent in this coming year. That is a very large hit, and you know when that happens that those businesses are going to have to reflect that reassessment and their tax based on that reassessment, into their operations. That is going to be a huge hit for them in terms of the continuing economic value and economic activity in trying to sustain that kind of a reassessment.

The result of all this, Mr. Speaker, is that the government is going to have to make sure that there is a consistency in this reassessment; and it's not only a consistency which was the objective of SAMA to begin with, but the consistency has to be certainly between locales but it also has to be within the consistency of what is fair and equitable in terms of ability to pay the taxation based on this reassessment.

The current assessment is certainly being perceived as it's outdated, it's outmoded, and we have to encourage through amendments such as this to get it to a state where there is some confidence.

You must remember that when we're dealing in taxation and assessment for taxation, we're really sending signals out as part of the bigger economic development, economic strategy, and economic confidence in our ability to compete in this province. And we have to make sure that it's competitive, consistent, and not out of line with, both within our province, but certainly with outside of our province. Because that's where investments really have to come from and we are competing in a bigger picture than we ever have before.

So it is very important that we look at not only the . . . we should be looking at how it's done but we should also look at some of the other signals that lean to the confidence in the system.

And that confidence really is being questioned because there are things that have come up, that have been noticed so far. And maybe some of these are assumptions by the reasons for some of these new amendments, but some of the things would be a provision in the Act or in the amendments for SAMA to ensure that its books, records, and accounts are kept in such a way that money granted to SAMA is used for the purposes intended.

But when I see that kind of an amendment coming in, I begin to immediately think about why would that amendment go in if in fact that wasn't the practice all along. If that wasn't, then I can certainly understand why there isn't the confidence in the system, and if in fact other items within that Act are leading to areas of suspicion or leading to areas of non-confidence so that people would prefer to have an independent auditor.

We also see other things in there. For instance, the provision for SAMA to appoint an auditor to examine its books. I would assume that would be a pretty standard requirement under any operation. And if in fact it is required now under the Act, has it been in place all along? And if not, why would an agency such as SAMA not be required to have an auditor? Why was it not an operating practice to have that in place before?

There are other things that are a little disconcerting, Mr.

Speaker, with this particular Act that's in place. We also notice things like the . . . some of the requirements now under this provision are going to, for instance, be reported to the minister. Those reports are also going to be distributed to SARM, they're going to be distributed to SUMA, (Saskatchewan Urban Municipalities Association), distributed to the SSTA (Saskatchewan School Trustees Association).

All of those organizations certainly have a direct interest in this kind of an Act because their ability to generate revenue based on assessment is very important. I would really wonder why that has to be there; not questioning it in being here now, but why wasn't it there before? It would be an indicator that the Act wasn't generating what it should have been doing, and again it gets back to the idea of confidence in our system so that taxes are fair.

It would appear too that the decision-making power might be shifting away from legislation and the legislature into regulation, which is in fact, as you know, at the prerogative of the Executive Council to make these regulations.

That is a bit of a disturbing trend and I would want to make sure that when we're questioning this Act as it goes forward into committee, that we're able to explore some of these concerns that I've outlined and try to determine if in fact we can have the confidence and relay that to the industry generally that is needed on a tax-based . . . property-based revenue system for the province.

So with the basis of exploring these questions that I have, Mr. Speaker, I would move that this Act now move into committee.

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

#### Bill No. 24

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Osika that **Bill No. 24 — The Urban Municipality Amendment Act, 2001** be now read a second time.

**Mr. Brkich:** — Thank you, Mr. Speaker. I believe I was talking on this Bill a couple of weeks ago and I still have a few points I'd like to make on it.

One of them, Mr. Speaker, previous to this Bill, municipalities had to apply for ministerial approval if they were to sell, lease, or otherwise dispose of land at a price less than the current market value. As well the money received through such sales had to be held in a capital account. Now it seems that this approval is not needed and that the money raised can be used at the council's discretion.

I believe that this is a step in the right direction as long as councils respect these newly acquired funds and guarantee that they will be used to the best benefit of the taxpayer. Accountability must always remain front and centre.

I firmly believe that local government is the most accountable and effective form of grassroots democracy that we have here in our province. The current government of this province could

take a few lessons from the local government in listening to its people, taking appropriate action when needed.

The councils across this province are very effective and I give a tip of the hat to them for their hard work and dedication. The people on these councils know full well what kind of problems are out there, such as our most important drinking water concerns here in Saskatchewan.

They're doing all that they can to protect their citizens, and all they need is a government who listens, who supports, and who takes action of their behalf, Mr. Speaker. And I don't believe we have that kind of government today.

There are a few other aspects of this Bill which I would want to mention and make comment on. We see that municipalities are now given greater authority in enforcing nuisance orders. This is especially important in small communities where the beauty of the town or village is affected by such things as abandoned vehicles, long vacant and old housing, and a host of other things. Hopefully this will encourage many residents in smaller communities to make a greater effort in allowing their community to look attractive.

As well, local government now does not need approval when closing a municipal street which would make sense at whatever angle you looked at this issue. There are many times when due to unplanned problems or emergency, streets need to be closed immediately and permission by the minister is just not practical.

There's also a provision here which removes requirement from municipality to submit traffic bylaws which mirror The Highway Traffic Act for their approval. I served on village council for many years in my hometown of Bladworth and I can say that of course there are times traffic issues which are unique to each community and must be dealt with, with the proper traffic bylaws; of course these bylaws must most importantly be enforceable. For in every respect a traffic law is put in place to protect the residents — both as pedestrians or motorists.

Mr. Speaker, this Bill also addresses a critical area of municipal funding in regards to short-term and long-term debt, which it seems that . . . and it seems that municipal governments need more flexibility. It is no longer necessary for a particular municipality to obtain approval from the municipal board when entering short-term debt obligations for operating purposes. As well, cities will have the right to create long-term debt without approval from the municipal board, providing the debt amount is within set limits.

While it seems to make good sense to give local governments more financial flexibility, there are a few considerations that we must take into account. Short-term debt obligations are of course necessary to meet operating requirements and this would be understandable to the taxpayer involved. However we need to be very cautious about any borrowing guidelines as the need for a look at financial plans is not lost on the councils involved.

In the area of long-term debt, even though there are limits set, it cannot be assumed that each time any municipal government needs to borrow money, say for a large project or an emergency expense, that this is not a situation where once again the provincial government has off-loaded more expenses onto the

same local governments.

We must ask the question as to whether or not this present provincial government wishes to use this part of the Bill so as to defer the financial responsibilities to local government expenses. How often have we seen local governments concerned about the infrastructure and their high expenses, so they ask the province for help, and they do not receive any, Mr. Speaker.

It seems this government has to wait for a serious situation such as North Battleford to take action to assist local governments; and even then, as we've seen lately, still very little seems to be done. I'll be watching closely to see if this part of Bill No. 24 is just not another off-loading opportunity for the government.

There will also be no municipal board approval needed for cities who wish to invest money in a particular fund of their own choosing. Once again the desire to streamline the role of local government — in this case the government of a Saskatchewan city — needs to be tempered with a caution as we all know that there are many ways to invest money these days, but some investments have a higher risk than others. All you have to do is ask SaskTel that.

The responsibility to the taxpayers in this instance must be the benchmark by which a council must act responsibly. Certainly the Act contains the definition of what category a council can invest in. But even in this case there are certainly risks involved.

These amendments include a clarification when it comes to railway land assessment: railway-owned land and the right-of-ways are correctly assessed and the land is no longer leased to its third party, will now be assessed separately. These clarifications should clear up any misunderstandings between the former tenants — in this case the railway companies.

Mr. Speaker, as we all know how high freight rates are these days making it very difficult for farmers to realize a profit after they pay these higher rates, we want to ensure that the railway companies are paying their fair share of taxes back to local governments so that at least in this way farmers' dollars are returning to provide service for all Saskatchewan people.

Mr. Speaker, the amendment also includes a clarification which will permit boards of revision to increase or decrease assessments on appeals. The appeal process in regards to assessments is a very important part of The Urban Municipality Act. And we must always ensure that any individual has a right to be heard in regards to their annual assessment and any disagreements that may as a result come from this assessment process. Local councils must realize that each set of circumstances must be considered in the assessment appeal process and that fairness shall be applied in every instance.

Mr. Speaker, with regards to the municipal administrators, it looks like the new Board of Examiners will be established and overseen by SUMA and the Urban Municipal Administrators Association. This new board will certify municipal administrators and this will also be applied to the rural . . . municipal legislation. While the minister will no longer appoint this group, it still must be stated that this is a self-regulating

board created to review the qualifications of any new, potential municipal administrator.

It is important that we have the most qualified people in our local government today given the complexity of the laws which it must act under. I would hope that any regulations that are to be followed during the certification process are open and accountable, and that they treat each applicant fairly.

Mr. Speaker, I will conclude with a look at the financial statements portion of this Bill, an amendment that outlines the rules of accountability for urban municipalities. The same municipalities must prepare the financial statements according to the public sector accounting principles which are established by the Canadian Institute of Chartered Accountants. There's also a requirement that the auditors are members of the professional accounting association and further, that the minister may request information regarding the financial affairs of a municipality and that compliance is mandatory.

(11:15)

While it would help to any council not to have to bother with provincial government approval, it must be stressed that this in no way relaxes the responsibility of the council to be careful with taxpayers' money. This amendment sets out which municipal records must be preserved and of course for how long they must be preserved.

All in all, Mr. Speaker, the amendments contained in this Bill should assist the council do a job of governing responsibly and effectively.

However it's something under Committee of the Whole we should look at, and this Bill as I mentioned and spoke on previously, has many, many amendments, and I know myself I have many questions, and members opposite also have many questions, Mr. Speaker, on this.

So with that I will move this Bill to Committee of the Whole where we will hopefully spend a considerable time going through amendment by amendment on it. Thank you, Mr. Speaker.

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

### Bill No. 23

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Osika that **Bill No. 23 — The Rural Municipality Amendment Act, 2001** be now read a second time.

**Mr. Krawetz:** — Thank you very much, Mr. Speaker. I do believe that we are now into The Rural Municipality Amendment Act, Bill No. 23 and I would like to make a few comments on that Bill and the explanatory notes that have been provided by the minister.

Mr. Speaker, this is indeed an extensive Bill when we look at the explanatory notes that were provided when the Bill was introduced in the House. We note that there are over 33 pages

of explanatory notes that deal with each of the sections that are being proposed.

Mr. Speaker, the other point to note is that Bill No. 23 has 46 clauses in it and it affects a wide range of sections of the current Rural Municipality Act of 1989.

Mr. Speaker, in comments made by the Minister of Municipal Affairs at second reading, he stated very clearly that there were two primary themes that were going to be looked at in terms of all the changes that were being proposed in Bill No. 23. And the two themes centred around the fact that there was to be a removal of legislative impediments to voluntary municipal amalgamation.

And the second theme was that there would be the removal of the province from decision making and involvement in a number of areas that are clearly within the jurisdiction of local councils. Both of those ideas we applaud, and recommend that we must move in those areas.

Mr. Speaker, though, the question of restructuring is one that has been before council members in this province for a number of years. We've had discussion between rural municipal councils. We've had discussion between rural and urban municipal councils. And for many years, Mr. Speaker, I heard . . . members' responses to this was that there were impediments. There was the inability to actually move forward on some of the ideas that they had with restructuring.

So while this Bill looks at the impediments and I want to compliment the people on the round table for producing the report that was entitled *Impediments to Voluntary Restructuring* — that was the name of the report — and it tried to identify the issues, the concerns that individual members of rural and smaller urban centres saw as problems. And in that report, Mr. Speaker, it identified a number of concerns and I know I've heard from many smaller centres as we've seen boil-water orders issued for many small rural communities, hamlets, and villages.

There has been a tremendous amount of concern from rural sectors, from the rural municipalities about the liabilities that would be faced if, indeed, there was going to be amalgamations and restructuring of those facilities. Mr. Speaker, the concerns that are expressed by a number of people about whether or not there are incentives, whether or not there should be voluntary amalgamations, are not addressed in this Bill. It provides a framework so that the impediments — as we see them, the legal impediments — are removed and there would be the ability for restructuring and the creation of municipal districts. Those are clearly stated in the Bill and they are what people are looking for.

But, Mr. Speaker, there has to be more to it than that. There are many communities that are concerned about financial liabilities, about the need to move forward, and very little is offered in the way of incentives for municipalities to look at.

And I recall discussion between school boards that have restructured, that have amalgamated, that indeed there was a tremendous amount of concern that the department — in this case, the Department of Education — as to whether or not they

were providing incentives.

So I think the same is true for both municipal districts that will be coming . . . or through urban centres and rural centres. What kind of incentives are there for them to move forward and ensure that amalgamations take place? And above all, they must be voluntary. And I think that's the point that is made in this Bill.

Another key change, Mr. Speaker, is that — and it is supported by not only the Saskatchewan Urban Municipal Association and the Rural Municipal Association, but also the rural administrators of the province of Saskatchewan — is that they've reached agreement in creating an urban and rural board of examiners. And that is necessary because, as we look at the new type of municipal district that may be created, it will require that the information that is provided to the administrators, those people that will be dealing with the new tax systems with new kinds of levies, they must fully understand that the approach being taken is consistent across the province. So those are excellent ideas and that section of the Bill does not seem to be of any difficulty.

Mr. Speaker, consolidation of services is being done currently by many municipalities. We see villages and we see RM councils that have created fire protection agreements, where a fire department in one urban centre is providing — through a shared agreement — they're providing assistance through all the rural people to other urban centres. So these are kinds of things that are going on already.

And the understanding might be that there could be the need to form one municipal entity. And that might be a combination of a couple of RMs and a couple of small hamlets and villages. So the Bill, as we see it, seems to suggest that this will allow this to happen without any impediments. And we compliment the minister for listening to the people that were on the round table.

One of the concerns, Mr. Speaker — and I'll end with raising this concern because we haven't had a clear definition, and we've talked to a number of people and we've had different interpretations — is the section that is going to deal with residency.

The proposal in the Bill is that there will be a clarification of residency to ensure that a person who has two residences in the province of Saskatchewan, they would have to declare one as primary.

And I guess the example that I want to propose right now, Mr. Speaker — and we'll await the minister's response in Committee of the Whole — is that if a person lives in an urban centre and has a residency there, and also lives on a rural setting, in a rural municipality, on a farm setting for a period of time, both of these are residences; they are lived in for a period of months in both cases. The understanding is that they will be allowed to vote in both elections: the urban election, in a city or a town or whatever the community may be, and the other side of the coin was they will be able to vote in the rural municipal election.

Now the clause that is raised says that it wants . . . that this section is to bring it into line with The Local Government

Election Act. And there seems to be some uncertainty as to whether or not that's correct.

We understand, right at the moment, that if a person owns property in a number of RMs, that that person is able to vote in those RMs where they are the owners of property. However, this will change it to indicate that they will have to declare their residency and then will vote only in the RM where they are a resident.

The question then, as I've indicated, Mr. Speaker, if they live for a period of time in the RM and for a period of time in an urban municipality — both of course controlled by The Rural Municipality Act and one by the urban Act — where will they be voting? Or in fact, will they be allowed to vote in both? That needs to be clarified. Because right at the moment administrators, individuals are saying, we're not sure.

And the member from Moose Jaw raises a concern, and I want to talk a bit about resort communities. Because that has been an issue that has been faced by this government for a number of years, where people who have a residency here in the city of Regina for instance and also have a cottage out at a resort that they live in for maybe four, five, or six months of the year, the concern is that whether or not they have a say in the local affairs of that resort community.

And the taxation levels are high. We've had . . . I'm sure the member has also received many letters and petitions from individuals reminding this government about the amount of tax distribution that was — redistribution — that was done as a result of SAMA. And yet there doesn't seem to be the ability for the person or persons involved to have a direct say in the election by the ability to vote.

And this is of great concern to a number of individuals as to whether or not they have a . . . They are the taxpayers in a particular community — large amounts of taxes — yet they don't have a say in vote.

So those are questions, Mr. Speaker, that we will pose to the Minister of Municipal Affairs during Committee of the Whole as we discuss all of the clauses. And as I've indicated, 46 clauses, Mr. Speaker, I think will take us a fair amount of time to get through, but we look forward to the answers that will be provided by the minister in Committee of the Whole.

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

### Bill No. 25

The Assembly resumed the debate on the proposed motion by the Hon. Mr. Osika that **Bill No. 25 — The Northern Municipalities Amendment Act, 2001** be now read a second time.

**Mr. Wiberg:** — Thank you very much, Mr. Speaker. It's again a pleasure this morning to rise and speak on Bill No. 25, an Act that is bringing about some tinkering changes, so to speak, to the northern municipal districts of the province.

The Northern Municipalities Act has been touted, certainly by

the Minister of Municipal Affairs, as having some significant changes to the way governance will take place in northern Saskatchewan.

And as we've gone through the Bill and had some discussion with the municipal governments of northern Saskatchewan as to their pleasure or displeasure with this Bill, we certainly find that there is some pleasure with it. They see some good sides to this but also a great deal of concern, I guess, Mr. Speaker, a great deal of disconcertment that this Bill doesn't go far enough in some areas, and is actually maybe hiding some things that they're talking about in the North, certainly when it comes to areas of self-determination and economic development.

Mr. Speaker, one of the concerns that we have heard on this side of the House as we meet with the leaders from northern Saskatchewan is concern over the growth of economic development. Now the governments of the North, those who work on a day-to-day basis with the people of northern Saskatchewan in helping to provide a better standard of life, a higher quality of life, one of the areas, the biggest area of concern is the lack of economic development.

In fact, Mr. Speaker, their concern actually goes around the whole concept that the northern communities are suffering dramatically in economic development and are actually regressing — regressing, Mr. Speaker.

(11:30)

Now one of the areas that of course is causing a great deal of concernment on this side, Mr. Speaker, is that in the two sister Bills to this Act, Mr. Speaker, this Bill No. 25, The Northern Municipalities Act, is that the minister is looking at removing barriers, removing barriers, Mr. Speaker, so that communities, urban or rural — or two are rural — can take it upon themselves to take a look at bringing about efficiencies. Efficiencies to reduce governance, efficiencies that can be achieved through the restructuring of delivery of services on a voluntary basis, Mr. Speaker.

They want to do this on a voluntary basis. They want to be able to have local determination, self determination so to speak, so that when changes are looked at, when efficiencies can be achieved, that they would be the driving force.

Unfortunately this Act, Bill No. 25, Mr. Speaker, doesn't speak to that at all. In fact, Mr. Speaker, there is a small change to this that is going to be a great deal of concern to northern municipalities. In the past, as in with other legislation surrounding municipalities, is that when they looked at self-determination in providing efficiencies through efficiency of scale, any changes that had to be brought about had to be looked at and done through an order in council by the Lieutenant Governor.

Nowadays of course in the South, the urban and rural municipalities are not going to have to go through that significant process. It's going to be much more streamlined. But — but, Mr. Speaker — northern municipalities they are not being provided with that opportunity.

In fact the only streamlining that is done is that any changes to

boundaries that may take place in northern Saskatchewan, any realignment that may take place will be done strictly — strictly — Mr. Speaker, through the office of the Municipal Affairs by the minister himself. Now here's a member from Melville who's going to have control, significant control, over the lives and governance in northern Saskatchewan that we have a great deal of concern about.

Now why is it not feasible for the people of northern Saskatchewan to have the same ability for governance and self-determination as those municipalities in the South? Does it mean that this government is going to continue along the path that the people of northern Saskatchewan are second-class citizens, that they do not have the ability to know and understand their own ability to govern? Or is it just that there is such a fear in this NDP government of the ability of northerners to be able to govern themselves that they need to be able to maintain this massive control?

So we have a lot of concern, Mr. Speaker, about this. And I think it's important that we have a hard look at this government and why they would want to do that.

Sometime, I guess, during the month of August when this finally gets to the Committee of the Whole, then maybe we'll have a chance to speak to the minister about the reasoning of why they would want to prevent the people of northern Saskatchewan from having the ability of self-determination; so that what we can have here, for the people of Saskatchewan . . . the people of Saskatchewan will be able to ask this government why they are coming up with such a simple little Bill and it goes pages and pages here of dancing in circles in order to provide very little opportunity for the people of northern Saskatchewan.

There are though, Mr. Speaker, a couple of little areas here that are going to be of benefit to government in northern Saskatchewan, to those municipalities who are looking to have some ability to control the way they do business. They are strictly very small housekeeping matters, although when I was reading the statement that the minister made during the introduction of this Bill, he called them significant. We call them trivial.

The fact of the matter is, is that all it's doing, Mr. Speaker, is allowing government in northern Saskatchewan to be able to finally catch up to their cousins in the South that have the ability to be able to operate with some autonomy separate from this government so that they can, you know, provide more simplified and effective governance at the local level.

One of those areas, Mr. Speaker, is the ability of governments in the North to finally be able to provide high-quality delivery of services through their hiring processes. Now of course we heard at one time, in the year of 2000, the former minister of Municipal Affairs actually mention at one time that the department was looking at allowing small municipalities the opportunity to go back to a system that was in place in the early part of the previous century where they could hire unqualified people to manage the affairs of their municipalities.

We have no idea where that came from. Certainly we never heard that in our travels throughout the province. We never

heard that in our travels in northern Saskatchewan. And now I see that finally, finally after many, many decades that this government is finally allowing the people of northern Saskatchewan the opportunity to be able to participate in some small degree the same as their cousins in the South. Those governments in southern Saskatchewan, whether they be urban or rural, to provide high-quality service that is so much demanded by the people of Saskatchewan.

Now, Mr. Speaker, the governments of northern Saskatchewan are duly elected. One of the towns that we visited were vehement in their explanation to us of the importance of governance in northern Saskatchewan. Northern Saskatchewan, they take their governance so seriously, Mr. Speaker, that last year, in the fall of 2000, when municipal elections were taking place, urban municipal elections, the town of La Loche actually had 54 people — 54 people, Mr. Speaker — be nominated for the position of town council. Eleven positions they have there, Mr. Speaker, 54 people applied for that.

They take governance in northern Saskatchewan seriously. There are some issues that they feel very strongly about that this government is not addressing in any way, shape, or form. And I would like to talk about two of them here for a brief few minutes, Mr. Speaker.

One of those areas is economic development. The people of northern Saskatchewan feel quite strongly that they have the ability to be directive in their own way to provide economic development, economic growth; that the people of northern Saskatchewan have the ability for self-determination in ensuring that high-quality, high-paying jobs are going to be available for their people.

So what do we know about so far about economic development, Mr. Speaker? Well we know that since this government was returned to power in 1999, there's actually 5,000 people, workers unemployed, more unemployment than there was previous to the election in 1999. Five thousand people have lost their jobs in northern Saskatchewan since September 1999.

Now that's not to say that they were transferred to another sector — that took place to a certain degree already, Mr. Speaker. But what we have to understand very clearly, and we received that from StatsCanada, is that this government has reduced job numbers for people in northern Saskatchewan by 5,000. That's far too many, Mr. Speaker. To think that this government, this NDP government has the ability to create jobs in northern Saskatchewan.

But the people of northern Saskatchewan have been very clear to us, Mr. Speaker, that they do have a plan. They have a plan that would provide for economic development. The local governments in northern Saskatchewan actually have the ability to be able to do job creation, to work with their communities, to work with independent businessmen in order that high-quality, high-paying jobs can be created.

The second area that I wanted to speak about that is not in this Bill — and that's why we have a great deal of concern that this Bill doesn't go anywhere near far enough; this is very light housekeeping, Mr. Speaker — is in the area of property management.

Now in northern Saskatchewan, Mr. Speaker, we found out to our dismay that the people in northern settlements and northern villages do not actually have the right — they do not have the right, Mr. Speaker — to own their own lots. You can live in a town or a settlement in northern Saskatchewan and not have the right to own the lot that the house is sitting on.

In fact, in fact, it's even worse than that, Mr. Speaker. You're not even allowed to own the house that you're in. You have to lease that house from the department, and you have to lease the lot that your house is sitting on from the Department of Municipal Affairs.

This kind of discrimination against northern Saskatchewan is going to have to stop and it's going to have to stop in the very near future, Mr. Speaker. It is this lack of vision and this lack of trust in the people in northern Saskatchewan that is preventing, is preventing the governments and entrepreneurs in northern Saskatchewan the ability to provide their citizenry up there the ability to create wealth-creating jobs.

But these questions that I have raised, Mr. Speaker, that have been brought to us through our ability to research and our ability to communicate with the people of northern Saskatchewan, the returns that we have from the people of northern Saskatchewan when we talk to them about their concerns or their pleasure and displeasure with this Bill, will probably best be addressed if this Bill went to Committee of the Whole.

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

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

### Bill No. 12

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Osika that **Bill No. 12 — The Water Corporation Amendment Act, 2001** be now read a second time.

**Mr. Brkich:** — Thank you, Mr. Speaker. I want today to address a few aspects of this Bill. It's of important concern to the residents of Saskatchewan.

Bill No. 12, which contains amendments to The Water Corporation Act, which would prohibit the movement of bulk quantities of water from a watershed with the exception of a transfer between watersheds within the province.

Mr. Speaker, the issue of water in our province has — and as we all know — been front and centre with regards to the North Battleford contaminated drinking water situation. We see here a perfect example of how we cannot take our water here in Saskatchewan for granted. This Bill will hopefully safeguard our provincial water from being moved from our province to other areas such as United States, for example, a country that does not take its water for granted.

Mr. Speaker, the people of this province are clearly worried about our valuable water resources being transferred out of the province, especially in the light of the current trade agreements

in effect across North America.

As we see, all the members have seen this summer, on both sides of the House, dry conditions throughout the province. So it also stresses the need for protection of our water resources.

We must work closely with local conservation development boards who work hard to provide watersheds for water storage and proper drainage of water during heavy runoff and rainfall.

All aspects of our water must be considered each time we make a major decision, such as the one talked about here in Bill 12.

Mr. Speaker, our agriculture industry, which includes both grain production and livestock production, relies heavily upon our provincial water resources. There are many irrigation projects around our province which not only assist local grain producers but also allow for the development of varied new crops which have great potential in this province.

Unfortunately, Mr. Speaker, I cannot include the potato development process because this government has single-handedly sliced, diced and hashed and mashed many hard-working potato growers in their money-losing spud-and-dud company. But I will put my hats off to the private producer growers of Saskatchewan who are working hard to compete with their own government.

Mr. Speaker, as we all know dry soil conditions exist throughout much of Saskatchewan, despite spotty rainfall in the last couple of weeks. It would be fair to assess these conditions as near drought-like in nature. With this kind of concern people are very worried about their water supply for their cattle and for their land. And in extreme cases, on farms where surface water has disappeared and well levels have dropped, there is concern about a lack of water even for drinking, Mr. Speaker.

When all these factors are combined with the North Battleford situation, you get into a situation where under no circumstances will people of Saskatchewan tolerate any suggestion of selling our water outside the province.

(11:45)

And as the member for Cannington pointed out in this House on May 24, there is, in this legislation, no mention of bulk water sales in the legislation — it just says no movement. And as you very well know, Mr. Speaker, this government sometimes can't be believed and trusted on some things. So when they say no sale . . . or they don't mention no sale, does that mean that they are considering possibly selling water? We don't know.

But many people have their doubts on this side of the House and throughout the province. And Sask Water has a history of entering into commercial enterprises which never seem to work out for the benefit of hard-working Saskatchewan taxpayers, you know. So we do not rest easy with vague promises from the minister when the legislation itself does not directly speak to the issue of water sales.

This Bill talks about only the transfer of water from one watershed to another. But again there's a lack of definition upon closer inspection. Does this mean simply from one watershed to

another or can it mean that a creek can be diverted if water is needed elsewhere or if other measures are needed to help the drought stricken area of our province? Again, I would like a clear definition of just what that is, Mr. Speaker.

I have spoken with various representatives from the conservation development authorities and local water control boards that would be in favour of this legislation, providing that it guarantees our right to keep our water in Saskatchewan and in the control of the Saskatchewan people.

So again, we realize that provincial residents expect the utmost care in their valuable water resources. They want to hear about the status of their water resources on an ongoing basis so they can be reassured that there is abundance of water for agriculture and, most importantly, for safe drinking water, Mr. Speaker.

I must stress also to the members opposite that the people of Saskatchewan want to guarantee that their precious water resources will not be sold down the river, if you will, Mr. Speaker.

Conservation development boards want to be reassured that their hard work, that what they are doing to manage water in their local jurisdictions, will result in securing the future of that water. The people in these boards deserve congratulations for the water management efforts and at times in the past have witnessed the shortcomings that have been a part of Sask Water, Mr. Speaker.

As we look at Bill No. 12, we wonder whether or not they have addressed the issue of local disputes between the transfer of water and watersheds either on public or private land. I have several instances mentioned to me by local governments and private citizens of situations where the movement of water, one way or the other, between two parties have been complicated rather than solved by the intervention of Sask Water officials.

In many cases where Sask Water has been requested to address water problems, a long delay in sending out an official in the first place has resulted in a worse problem. In cases where Sask Water has sent an official, the results of this report are often delayed or inconclusive resulting in further hard feelings between the parties involved.

So if Sask Water wants to make changes like those in Bill 12, it needs to be followed up by a proper dispute mechanism, whereby the lack of water in a drought situation or an abundance of water on a wet year will be dealt with quickly and effectively.

I would invite the members opposite to talk to any RM or farmer about the effective management of water in this province and they will not give Sask Water a passing grade, Mr. Speaker.

You know, Mr. Speaker, if Sask Water cannot manage its own affairs, such as Sask Valley Potato Corp., cannot settle water disputes in some cases without resulting to court action, and claim little responsibility when their drinking water goes bad, then I think we should take a long look at whether or not Sask Water is doing their job for the people of Saskatchewan. If they can't handle how water is managed in our province, perhaps you should give more authority to the hard-working people and

their conservation development boards, Mr. Speaker.

And if they can't keep their potatoes over winter without throwing thousands of pounds of them away in huge piles then maybe they should get out of the potato industry, Mr. Speaker. And if they aren't taking an active role in the quality of our provincial drinking water then maybe we should be wondering if we need Sask Water and all their overpaid managers, Mr. Speaker.

It is difficult to concede that Sask Water has guaranteed in Bill 12 that water will not be sold out of the province when the legislation itself does not specify that. If that is what they claim, then why do they not state it clearly, Mr. Speaker? How are we to take seriously that they assume that they will not sell water outside of our province? All we need to do is look at the massive piles of rotten potatoes at Broderick to realize that their money losing ventures continue, Mr. Speaker.

Here they claim that it is normal that up to 25 per cent of the entire potato crop is normally rotten in the spring. Well I've asked private producers in that area and they said if they had to base their profit on only 75 per cent of their crop, Mr. Speaker, they wouldn't be in business. The same potato producers are telling me that if you're throwing out 25 per cent of your potato crop it is a result of poor harvesting procedures and poorer storage procedures.

So, Mr. Speaker, again I have a problem with the accuracy of this Bill when it comes to the selling of water outside of our province. I can tell you one thing, if Sask Water continues to lose millions of dollars in the potato industry, they just may become desperate enough to sell our water for US (United States) dollars to cover these millions of dollars of taxpayers' money that was lost, Mr. Speaker.

I would like to talk for a moment on the impact of water transfer on the environment of Saskatchewan. Clearly the movement of water from one watershed to another — be it from a river, a lake, creek, or man-made structure such as a dam — will have an impact on wildlife including waterfowl, and fish populations, and the vegetation which grows in and around any environment encompassing the water.

We must also include wildlife such as deer populations who may migrate as a result of the loss of water from one area to another. Such an unnatural migration could result in a new environmental situation for wildlife that they're not suited to, and could affect their population in considerable numbers.

And when we look at Bill 12, we see that Sask Water could have still some more authority in the transfer of water given perhaps emergency situations like the drought conditions or excessive runoff conditions which are a fact of life here in Saskatchewan. I would hope that the officials would always bear in mind the consequences of water movement on both wildlife and vegetation, if the circumstances arrive, Mr. Speaker.

There is little debate about the importance of the major dams, which have been built in Saskatchewan over the past 50 years. Indeed these dams serve a useful purpose in preserving our water in times of need, while providing much needed

power-generating facilities at certain locations which help to provide power across Saskatchewan.

Many dams have the extra benefits of providing a recreational water body, which is in the case at Lake Diefenbaker, in my constituency of Arm River. The Gardiner Dam facility provides power for many areas of our province, while tourists and people on holidays can enjoy the lake for fishing, boating, sailing, and the benefits of the tourist industry in the surrounding communities such as Elbow and Loreburn.

So we must carefully preserve all existing major dam structures in our province and keep a watchful eye to the future to see if there are other areas that could be potentially developed to further conserve our precious water resources.

Saskatchewan people have a tradition of being prepared for adverse weather conditions for we live in a land of changing weather patterns, which can be directly . . . which can directly affect our survival, such as in agriculture.

For these reasons Saskatchewan people have endorsed the construction of major dams so as to conserve our water, thereby being prepared for what mother nature may have in store for us.

Clearly these structures are some of the most important water storage facilities that we have. Also important to consider are the hundreds of smaller dams across our province, which also store water for the benefit of Saskatchewan people.

In my constituency, an example of Blackstrap Lake which was built by the construction of a dam at the west end of the lake. There is also examples around the province of diverting a natural flow of water into a natural area which can contain water for many purposes.

A lot of the work done in the conserving of water has been done by the many dedicated people of our conservation and development boards. These boards have a solid track record in handling our provincial water at the local level — which includes handling high water conditions and drought conditions also.

Once again I must state that we need to take a clear look at the mandate of Sask Water versus giving C&Ds (conservation and development area authority) more authority and control, what they already have responsible and doing.

Mr. Speaker, another aspect which should not be overlooked when we consider our water resources, are the agreements we have with other provinces such as Alberta and Manitoba. We must ensure that the flow of water through our shared river systems and natural drainage zones, are treated fairly so that all provinces can benefit by what mother nature provides for us all.

And while it is important to do this, it cannot be overstated that provincial interest in our water must have the priority when it comes to negotiate any changes in the flow and general dynamics of the natural water patterns.

I ensure that with a spirit of co-operation in mind, that there should not be any problems arise . . . should not be any problems that arise that discussion cannot solve. I have every

confidence in our fellow Canadians to ensure that our water resources are looked after to the benefit of us all.

In conclusion of that, Mr. Speaker, I cannot stress enough need for a clear statement in Bill 12, which addresses directly the issue of selling our water out of province, especially across the US border. I believe that by not speaking to this issue directly, it may leave the door open in the future for the sale of water outside of Saskatchewan. If this Bill achieves what the minister claims it will achieve, then I do not have any reservations about the Bill the way it is, except to say that my confidence in Sask Water to maintain the legislation contained in this Bill is not that high.

I will wrap up by encouraging the members opposite to take the concerns of the Saskatchewan people in regards to their water very seriously, and exercise the most care in the handling of our water resources in now and the future.

With that I will move this Bill to the Committee of the Whole, where I will question the minister if he intends to sell water outside of the province.

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

### Bill No. 31

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Osika that **Bill No. 31 — The Saskatchewan Heritage Foundation Amendment Act, 2001** be now read a second time.

**Mr. Bjornerud:** — Thank you, Mr. Deputy Speaker. I'll just take a couple of moments this morning, Mr. Deputy Speaker, to speak on this Bill No. 31, The Saskatchewan Heritage Foundation Amendment Act. Mr. Deputy Speaker, I think there's some positive changes within this Bill and I think we probably won't have much problem watching this one pass through.

Some of the changes that we've noticed in this Bill, we note that the change was brought in to provide for continuous service for individuals who have been of particular assistance to the Heritage Foundation Board. And I guess, Mr. Deputy Speaker, that many people that have an interest in this area are very knowledgeable about this and it would be a shame to cut their tenure short, shorter than it needs to be. And I think we need those people in place. I think this Bill is addressing that to a degree.

Mr. Deputy Speaker, another part of the amendments also being made, where orders in council for approval for financial commitments is required, is raising the ceiling amount from 10,000 to \$50,000. And I believe what this will do, Mr. Deputy Speaker, is reduce the red tape and make this process a lot more efficient.

So many of the changes that we see in here, Mr. Deputy Speaker, I think we feel are positive. We are encouraged by the direction that this Bill takes but we will have some questions to be answered in Committee of the Whole. So at this time I would let this Bill move 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.

### COMMITTEE OF FINANCE

#### General Revenue Fund Economic and Co-operative Development Office of Northern Affairs Vote 45

#### Subvote (EC10)

**The Chair:** — I recognize the minister to introduce his officials.

**Hon. Mr. Goulet:** — Yes, Mr. Chair, I have with me the assistant deputy minister, Alayne Bigwin. And I also have the executive director for corporate services, Brian Cousins, and also Donna Dumont.

**Mr. Wiberg:** — Thank you very much, Mr. Chair. Mr. Minister, welcome this afternoon, and welcome to your officials. I know that some had to spend a little extra time getting here today, and we certainly appreciate that.

We know that they are certainly quite busy in the affairs of northern Saskatchewan and it's important that we get a little time to be able to talk to you about the department and how things are going there and how well things are going.

And so, Mr. Chair, to the minister, this will be our second go around this year. It's an excellent opportunity for you, and I thank you for that. It's not often that Northern Affairs has a chance to come up for estimates. We had a chance last year, although we only had one. We know that the House adjourned in short order last year. We certainly know that the government in their excitement to get out of here, the press was not very good last year, and didn't want to spend any more days here than they had to.

But this year we're getting two chances, and certainly my pleasure to welcome you and your officials here for an opportunity to be able to discuss how things are going in your department.

The last time, Mr. Minister, when you and your officials were here discussing your budget, we were talking about how economic development is working in northern Saskatchewan. Now as I mentioned in debate earlier, we certainly have found out — and your department is well aware of this — will know that when meeting with the people of northern Saskatchewan, they are certainly well aware of it.

We have met with many delegations. We have met with many elected representatives from the North and they're certainly highly, highly concerned, Mr. Minister, over the loss of 5,000 jobs in the last two years in northern Saskatchewan.

This is a great deal of concern to all of course because we know that the jobs, creation of jobs and the maintenance of jobs, is highly important to the success of Saskatchewan.

The last time you were here with your officials, Mr. Minister,

you spoke about investment opportunities in northern Saskatchewan. Things are changing, as we know, that in the near future the Cluff Lake uranium mine is going to be closing. The price of ore, uranium ore, is down in the world right now, and certainly in the short term.

We see prospects of course for opportunity for uranium maybe to rise, depending upon how world governments decide to use uranium as a fuel source to provide energy. But in the short time of course it's providing us with some concern when we have a mine such as Cluff Lake closing. It's a low-grade ore there, we know that, and it's certainly not profitable to be involved in it right.

I guess as we continue on the track that we spoke about before, last month, Mr. Minister, is that we got into some dialogue and some questions and answers going back and forth on economic development in northern Saskatchewan; investment opportunities that could and should be taking place. You mentioned that the government is very involved in the promotion of economic development in northern Saskatchewan.

You spoke that this government and your department feel very strongly that this government needs to take a lead hand role in that, in economic development. You spoke about this government's, you know, more personal involvement in economic development in northern Saskatchewan. Using a new arm, so to speak, that's been created and that would be the northern branch of SOCO, the Saskatchewan Opportunities Corporation.

And I wonder if you might help me, Mr. Minister, explain some of what your department is involved in, in working with SOCO in the advancement of economic development and economic opportunities in northern Saskatchewan.

**Hon. Mr. Goulet:** — Yes, in regards to the question related to SOCO, I would say that historically SOCO has been basically doing a lot of work you know throughout the rural areas, the urban areas, and the South. And this past year, a special effort and decision was made by the SOCO board — which I happen to sit in — to try and get a northern component to SOCO. And in that decision, there was a recognition that as the mining sector strategy was there, that there was a new strategy arising in regards to forestry.

And in order for Northerners to partake in regards to the economic development on forestry, we needed to have some loan monies available at a larger rate, at a larger amount level than what we had available in the Northern Development Fund. You will recall that I said in the Northern Development Fund, people can get a loan of up to a quarter of a million dollars — \$250,000.

When you're setting up a mill — for example, the last one that was done with Wapawekka Lumber, with Weyerhaeuser and Peter Ballantyne Cree Nation, along with Montreal Lake Band and the Lac la Ronge Indian Band — the amount on that mill was \$22 million. Of that, the financing went like this: approximately 4.9, you know, from the First Nations split up three ways; 5.1 from Weyerhaeuser; and the rest was accessed from the public sector financial institutions to a tune of 12 million.

Now when you get into that type of capacity and that level of financing needs, you need something more than a quarter of a million in order to then get some, what we would call seed money to be able to then place alongside private sector funding, etc. So SOCO operates around the range over 250,000, sometimes for 100,000, sometimes 700,000, sometimes just over a million.

So SOCO provides a mechanism like that for all over the South, and we thought it was important that that be available into the North, given the new initiatives that were taking place by the private sector and also the co-operation with government on forestry development. As such, that's how the SOCO plan came into being.

They're also looking at the developments on the mining. There is the developments on the silica sands. I know that the Alberta oil companies were interested in accessing the silica sands from here because they were getting it from the States and it would be closer in from our area to Alberta. And they were utilizing it in regards to, you know, getting more of the oil from the ground. There is a technical explanation that was given to me in regards to how they use that fine sand to get, you know, a better and more effective return on the oil.

And so those types of actions that are taking place right now is local forestry, mining. There will be other proposals that will take place because we have a northern worker in SOCO right in northern Saskatchewan.

Now getting back to your initial comments, it is true in general that the price on uranium could be better. There was a bit of an improvement earlier on, you know, this year. There was probably a little bit of a better feeling in the air vis-à-vis the industry.

We're still on a fairly good rate. We started out in the early '90s with approximately 500 people working in the mines and we have approximately 1,000 people working in the mines, and it fluctuates. It did go down to about 850 and hovering around 900 now, Northerners working, of which over 80 per cent are First Nations and Métis people.

So it's been a tremendous success story. I really take my hats off to the Cameco and COGEMA and a lot of the northern developments — like the Kitsaki Development Corporation, NRT, you know, going on its 15 years, Northern Resource Trucking. You get Mudjatik Corporation, you know, from northern Saskatchewan with the Dene people around Patuanak and surrounding area.

So that you see the large-scale excellence in regards to the one-third, you know, of world's development of uranium taking place in northern Saskatchewan. And seeing the excellence on NRT from the La Ronge Band being a world-class transportation company. As a matter of fact, the biggest in the world on land transportation like that on uranium ore. And I think that in that sense it's been a highly success story.

And also the workforce. We've got in from about 500 to 900 workers. And a lot of the people and their families are very happy with good-paying jobs. There are some salaries that are over \$20 an hour and in that case they are very, very, very . . .

they're a lot better than the minimum wage-type jobs so that the job levels . . . the amount of money that they get on their paycheque is very important.

Totally the paycheque on the contracts to the businesses is about \$200 million. That's up from the \$20 million when we got into government. We were about \$20 million on the business corporation contracts and the wages. We're now hovering at \$200 million.

So it's been a tremendous success story, not only in provincial terms, but national terms and international terms. So I take my hats off again to the uranium industry workforce and to all the people involved in the trading programs and everything that made that work.

So I'll be making some more other commentaries to your questions. So those are my comments from your initial questions.

**Mr. Wiberg:** — Thank you, Mr. Minister, and Mr. Chair. To the minister: I was interested in your comments that development of a northern arm for SOCO; that SOCO has a northern representative in the North working with the people up there in order to be able to have a better first-hand knowledge of the requirements of the people in northern Saskatchewan and their investment requirements.

(12:15)

Now you talked about SOCO and the success it's had in some areas of the province. You referred specifically to the Wapawekka mill situated at Prince Albert — the investments by Weyerhaeuser, the 51 per cent that's owned by Weyerhaeuser, the 49 per cent that's owned by the three different First Bands.

You spoke about also that SOCO, in order to operate in the North such as it had in the South, you had to restructure how lending takes place in northern Saskatchewan. You spoke about the department being able to only . . . having limits of up to \$250,000 to help out businesses in northern Saskatchewan, and that SOCO is going to be able to provide an opportunity to expand that investment because certainly their ability to . . . for lending, Mr. Minister, is of a higher level than what your department takes control of directly.

So I'm wondering, Mr. Minister, if you would help the House to understand, and certainly those of us on this side of the House, how the three First Nations involved in Wapawekka Lumber — the three First Nations of Lac la Ronge, Montreal Lake, and Peter Ballantyne — were able to put together their financing, and who is all involved in helping them with their financing for their portion of Wapawekka Lumber.

**Hon. Mr. Goulet:** — A lot of that will be private information you know from their own companies. There is a certain degree of confidentiality that they do have in regards to who they borrow from.

We know that the different bands will have different records, and different historical accesses, to finance capital — you know, whether internally in the province or elsewhere.

So those types of things are done on their own selves because they're own individual corporations, and I don't have that information you know with me. But I do know that they were able to access private capital, you know funding, in addition to the moneys that they get you know from our funding.

And we know that there was . . . it's a little bit more easier accessed by people with let's say a newer level of development. An existing band like La Ronge Band for example, they already have quite an outstanding record, and they're able to access financing anywhere at even better prices you know across the country. So you know that's a record that they do have.

A newer company may have a tougher time, but they already have a fairly good record of that.

**Mr. Wiberg:** — Thank you, Mr. Minister. Mr. Deputy Chair, to the minister, certainly we can appreciate on this side of the House the value of your statements when you indicate that how agencies are able to attract financing for their projects, and certainly when they attract financing from the private sector those of us on this side of the House always like to applaud those kind of initiatives.

We're certainly well aware that the Lac la Ronge Indian Band has an excellent track record as compared to many Indian bands in this province in their ability to create business and to create wealth and to be able to attract financial support from the private sector in their initiatives. And so we applaud that and certainly it needs to be lauded on a large scale.

And there are also other First Nations out there, Mr. Minister, who are in the same situation. They are able to, through a long history of an excellent business track record, become very good business partners of financial institutions and their ability to attract, as you have mentioned, better rates of interest when it comes to advancing money so that they can develop new projects.

And I understand then from your answer, Mr. Minister, that I need to clarify, in a much better method, the type of question I was asking. You indicated that the SOCO has been a long-time investor in southern Saskatchewan. We know that the mill at Wapawekka is south of the so-called northern boundary, but the three First Nations are not, Mr. Minister. And you indicated that some of the investment for that mill came from SOCO. You mentioned that this afternoon and I guess we're just curious as to — on this side of the House, Mr. Minister — what kind of a commitment SOCO has in helping with the financing of Wapawekka Lumber?

**Hon. Mr. Goulet:** — As far as I know, in this particular instance I don't know of any funds from SOCO that were utilized in this particular project.

I did not know of any specific funds that were utilized by SOCO on this project. I thought that there was just a . . . for me if I can recall, you know a start-up, particularly with Montreal Lake Cree Nation, I thought that there was work through the Northern Development Fund.

We do have from time to time, I don't think it is . . . for the year in consideration, I think it was the year before when that

happened. So the facts that are in front of me are the only ones that we did this past year you know for . . . It would have been the proper question — remember last year you didn't have, you know, sufficient time to ask a lot of the questions — and that would have been a question to ask at that time you know last year. So I don't have a record for that. I only have the record for this year.

But my understanding is that SOCO did not have any money in that regard.

**Mr. Wiberg:** — Thank you, Mr. Minister. Mr. Deputy Chair, to the minister. SOCO's involvement in northern Saskatchewan — as you mentioned earlier, you mentioned it last time when you were here with your officials — that you want to expand SOCO's involvement in northern Saskatchewan. You mentioned it again today. And certainly that we have been talking about Wapawekka Lumber, it is a large forestry operation in Saskatchewan, and it's an excellent initiative.

In order to better utilize the wood products that we have in Saskatchewan we know that we have a lot — a lot — Mr. Minister, of old-growth timber that either needs to be used or its going to be lost. One of the great fears of course in northern Saskatchewan is that we're going to lose some of these opportunities because forest fires on old-growth forest can be significant and very devastating, and we need to take advantage of many times while — you'll have to pardon the pun — while the irons are in the fire.

I guess at this time we'll just change a little bit here and move farther north into the northern boundary. We know that communities in the northwest and in the northeast have been exploring opportunities for forestry development in the North. We understand clearly that the Department of Northern Affairs is significantly involved in helping these communities to some degree to be able to access the technical abilities that are available out there so that these communities can have the economic development that is necessary in the North.

One of those is in the northwest, Northwest Community Futures. We know that a group of the communities have banded together in order to look at, on a larger scale, Mr. Minister, their ability to be able to work in a collaborative method in order to put together the type of larger-scale economic development that they feel is necessary to work towards advancement of economic opportunities in that part of the country.

Now for quite some time they operated, we understand, in so-called isolation. They were . . . not because of where they lived but because they were doing it themselves. They wanted to take control of their own destiny. Now we understand that Northwest Community Futures has taken on as some of its board members, members of your department.

I'm wondering how many members of your department actually work with, directly, with the Northwest Community Futures.

**Hon. Mr. Goulet:** — Yes, we have a staff person that works directly with the Northwest Communities. And it was quite a historic first in Canada. This whole idea of helping people get training and getting jobs, very, very important, but we needed people to get into business development.

But the new, brand new thing with the Northwest Communities was this. Many people have been talking about resource and revenue sharing, you know, as an issue for many years. And we thought that the highest instrument the province has in regards to business development on a larger scale is what historically has been called a lease agreement. Now a lease agreement generally only goes to large-scale companies, historically. We have seen that with Cogema, we've seen that with Cameco, we've seen that with Weyerhaeuser, etc.

And what we have done in this particular case with the Northwest Communities is this: that not only are they going to be involved in the whole aspect of training and jobs and ownership on business, they'll be into the forest management agreement. This is a first in Canada.

In the central region we will have Lac la Ronge Indian Band along with Zelensky Bros., their partner. Then we'll have on the west side, we will have Peter Ballantyne Cree Nation, their partner, with the corporation Mee-Toos.

And we also have the existing situation with the Meadow Lake Tribal Council and their lease agreement, and their partnership under Mistik, and their interrelating partnerships with Millar Western and so on.

And coming back to the Northwest Communities. What was needed was to get some monies in place so that the development could move on. And I'd like to report to the member that we had a . . . we have a pre-operational funding for the Northwest Communities. And we have \$125,000 contribution from the Centenary Fund as part of the 650, you know, that supports the northern forestry development. They will also benefit from an aerial inventory survey for 350,000.

Separate from the Centenary Fund, from Northern Affairs and SERM (Saskatchewan Environment and Resource Management), we are trying to get a community relations work and there was 737,500, you know, for that development. And I understand, as you said, that they were also able to access some dollars, you know, in the federal programming, you know, for the development.

So our people have been working with them very, very closely at each step of the way dealing with the consolidation of the communities; getting the business plan moving; getting this next stage, you know, of development moving; and right now they are of course doing some very important strategic negotiations. And our people are very, very pleased with the progress that have been made.

There are still some outstanding challenges, you know, that are out there and they're always there for any business. But I think that the structures that we've laid down, that for the first time in the history of Canada we have a whole northern area of the province, having a partnership with Northerners is a very important point.

And that the Northwest Communities wanted to be in because it's composed of Métis people and First Nations people in those communities. And having that approach was very, very important for all of us. Because there's also an Aboriginal people living in those communities as well. So it's a partnership

on a community approach that we have utilized in that sense.

So I would think that the initial progress has been made, we will move forward, we will see the new planning that comes through that process. And I'm sure that as we look into the future, I'm excited about what the possibilities are.

(12:30)

**Mr. Wiberg:** — Thank you, Mr. Minister. Mr. Deputy Chair, to the minister, certainly we should be on the edge of an exciting time in northern Saskatchewan with the opportunities that are available up there. You mentioned, reiterated again with uranium mining in the North, and certainly we know that there are some precious metals up there that are of a great deal of need for and want for in the world. And some rare earth elements up there too, that are also of significant value and of want to many parts of the world.

But of course, Northwest Community Futures is dealing right now, at the beginning, almost exclusively with forestry. They see that as an original, first step to be able to get something going for economic development, to provide high-quality, high-paying jobs for people of their communities in the North. So that the standard of living needs to be and can be improved in very short order.

Certainly we've heard from communities up there that . . . those communities that are not exclusively First Nations or Métis type of background, Mr. Minister, that the unemployment rate is not only unacceptable, in many cases it's disastrous. And you spoke about, you know, having a member of your ministry working and sitting on the board with Northwest Community Futures, and the opportunities that your ministry is providing to them in order to help them out in financial measures with some of the work that needs to be done.

We certainly understand that when you're putting together prospectuses, that technical expertise will probably be required in some of these communities. There are business acumen already up there, so we would assume that the ability to look at expanding businesses and to provide technical expertise to their communities is probably there to some degree. But any time that an organization in the North can have an opportunity to acquire further technical expertise is probably being welcomed in northern Saskatchewan.

But we're hearing, Mr. Minister, that these northern communities have on their own accord been courting, so to speak, business investment from the private sector, businesses that would like to be able to operate in northern Saskatchewan, to be able to work with the people of northern Saskatchewan in creating jobs, in providing world-class businesses that could develop the forest industry.

On this side of the House, we're curious as to how the government perceives your department, SOCO, which is also part of the Department of Economic Development, which Northern Affairs is also . . . being able to work hand in hand with private enterprise in the expansion of the forest industry in northern Saskatchewan.

**Hon. Mr. Goulet:** — I would say that we've got a . . . The

initiative by the private sector has been quite tremendous. I looked at the example that I gave earlier on with Weyerhaeuser and working with the three First Nations and we provided a bit of seed funding for one of them. But on . . . I mean developmental funding on one of them.

I might add on the question of the northwest communities as you looked at it, the person that we have doesn't sit on the board. They have their own independent board, their own corporate board that deals with their own business matters. And so we just provide support for them.

We did monies where they hired a forestry consultant management-type person. Then they've got a person that is right now, they're doing some negotiations taking place, you know, a targeted strategic approach on it. So they are obviously working with the private sector. They themselves are a private sector corporation. They're more of a community type of private sector corporation, but they themselves are a private corporation.

So over the long run you will see these partnerships develop and they're pretty excited about it. There's challenges, like I said, in regards to the accessing of finance capital over the long run, the usual concerns that they will have on development of forestry expertise.

And I might add that we put in \$859,000 of new money this year just to target on the forestry sector so that we had a focus strategy. We got 2,500 people going to school in the North on post-secondary — 2,500. When we come into government we had approximately a thousand. It's now 2,500 people.

Now we're targeting some money strictly into the forestry sector because we knew that the multi-party training plan we had in mining was such a national-level success — it won an award — so we're using the same model on multi-party training to get at the forestry sector training.

So the concerns of the northwest communities being a corporation is to develop partnerships with other private corporations as well as to develop a proper training plan. So the similar sorts of concerns that they do have are much the same ones as other corporations except that, in their case, the need for the financial capital side on the development side will be very, very important for them.

**Mr. Wiberg:** — Thank you, Mr. Minister. Mr. Deputy Chair, to the minister, those of us on this side of the House have always firmly believed and agreed with you, Mr. Minister, in the area of post-secondary training, that the province has a significant responsibility to ensure that when industry is out trying to develop in this province that a skilled workforce is available for them to access; that a skilled workforce is in place to be able to provide the expertise that these corporations are going to need in order to develop, Mr. Minister, the economic opportunities that could and should be available. Of course we're talking about northern Saskatchewan today and there is significant opportunities in the North.

Now you spoke about the need and the success, training of up to 2,500 people with the skills that are necessary to work in northern Saskatchewan. But you know we've been talking

about the northwest in this session of questions and their abilities to be able to get economic opportunities going in the forestry sector. If there are 2,500 people trained to go to work, Mr. Minister, we need to have 2,500 jobs out there. And while posturing is going on in trying to reach lease agreements, land use agreements for forestry management, these people who are trained and ready to go to work are not working.

I'm wondering I guess, on this side of the House, what your department is doing to expediate the process so that communities in the North can take their own initiatives forward to work with corporations out there such as, well Ainsworth Lumber comes to mind, Carrier Lumber comes to mind, has been mentioned in this House, as companies out there who are interested in working in northern Saskatchewan, working with the people of northern Saskatchewan to set up business opportunities that will provide the means for communities to move ahead and provide the wealth necessary to significantly reduce the unemployment rates in northern Saskatchewan.

So we're wondering here on this side of the House, how has your department been able to facilitate the process in order to expediate lease agreements, because we feel it's mandatory that something be done in the very, very near future rather than have the process continue to drag on as it has for the past several years.

**Hon. Mr. Goulet:** — In regards to the lease agreements, we set up the structure in getting the lease agreements. That was phase number one.

The second phase is something that is dependent in regards to the private sector partnership that evolved. When that private sector partnerships evolves — that's when I was saying that there was some strategic negotiations taking place right now — when that evolves and that is done, then announcements would be made.

But you've got to pay due respect to the business corporations because they make decisions based on market conditions. You know, they base decisions in regards to the availability of the workforce, and all those items are being negotiated, you know, within those agreements.

We are a little bit better off than in the initial phases of mining, on the forestry sector. Because northern Saskatchewan workforce has been around for a long time on the mining . . . on the forestry sector. I remember my father, when I was growing up in the '50s, operating a sawmill. And a lot of our people have been involved in operating sawmills over the years.

And during the '70s when there was a lot of development on the forestry side, we had an expertise system that evolved on training on the job. So a lot of the people learned on their own initiative, and also with the initiative of the private sector on getting the training-on-the-job programs of that era.

Then we even had . . . I used to be a community college principal in the late '70s, and we used to have specific programs that were targeted, for example, on, at that time, the utilization of the chainsaws. Now we have, you know, more advanced equipment that is being utilized, but there is still room in that capacity for safety training, those types of things.

So that occurred in the '70s and now we're moving further on and I see, you know, training programs. I go and watch the mills that were operating in the North, the sawmills and how they do the training, right in there on the site.

So there is training on the job-site information taking place, in addition to the 859,000 that the colleges will do, because there's always that aspect of the other training by the colleges. And I think that, with due respect to the colleges, I think that they will . . . they have proven their success story in working with the mining companies. And we will see that evolve in the forestry side as well.

So I'm quite optimistic that we will . . . You're always a little bit behind in the training on certain sectors because I have found, as a person who has been involved in training, sometimes the business strategy, which has a timeline, changes. So you may train something and all of a sudden you have a little bit of a glut on the training or maybe you might be behind. So those types of things will sort themselves over the long run.

But we are indeed putting, you know, substantial amounts of money on the training and as well there will be the tremendous skill development that's already in there by the private sector themselves, when they train their own people as they move into the job positions.

**Mr. Wiberg:** — Thank you, Mr. Minister. Mr. Deputy Chair, to the minister, you spoke about the ongoing training that's taking place and certainly a significant part of it of course has been geared towards the mining sector. But as we're both well aware, that once you train a heavy equipment operator, they can virtually move from one sector to the other with a lot more fluidity than what you've indicated here.

I want to adjust the questioning here a little bit back towards the involvement of SOCO and the Department of Northern Affairs in helping the communities in northern Saskatchewan — be they Lac la Ronge Indian Band, although we know that they're certainly in the type of solid financial situation that they are able to work with the private sector, financial institutions to a larger degree — but I'm wondering, and those of us on this side of the House are also very curious, in the situation of Northwest Community Futures, if they want to become involved with a private sector business to expand into the forest industry, what you have heard, Mr. Minister?

The ability of these northwest communities to become financial partners in the business, and if that's their . . . the direction that they're seeking to be a financial partner; what is going to be their ability to be able to access finances in the private sector or are they going to have to be dependent to higher costs, financial resources from SOCO, or just what is the status as you work with those communities, Mr. Minister?

(12:45)

**Hon. Mr. Goulet:** — There are other possibilities that come into play. On a larger-scale effort, we will also . . . we have the Northern Development Fund; and for the record, I'd like to put that in because it should be as part of the estimates here.

We did loan approvals by industry, you know, throughout the

North last year. We put in \$1,492,895. Out of that on the retail trade sector we had \$102,300; on the construction side we put in three projects for \$347,300; on the transportation side we had five companies were approved for \$528,600; other services were 50,245. On some of the questions you raised we had four companies access \$464,450 in this year in review.

So the other thing that we know is that we got the \$250,000 chunk up to a max there. Then at a higher level we got SOCO. If we get into a major project taking place, we also have access — no different than just down the street here on the Co-op upgrader with regards to CIC (Crown Investments Corporation of Saskatchewan) or in Lloydminster, you know, with CIC — if a major development you know takes place in the North there is a possibility for CIC involvement as well.

So those types of things come to be part of the negotiations. And when those things are brought into play and the business plans are put into place for that to occur, it is only then that we can make decisions on that. But I'd just like to report to you that those are the three levels that we're looking at so we're not stuck at you know even higher levels of capital requirements.

**Mr. Wiberg:** — Thank you, Mr. Minister. Mr. Chair, welcome back . . . I'm not supposed to say that.

To the minister: you mentioned that you're still in the early stages of looking at how forestry development is going to be finalized in northern Saskatchewan, and certainly after four years of your department being in place we'd like to have seen a lot more progress than what we have been hearing from you today.

But those of us on this side of the House, one of the progresses we like to see in business is that those people who want to become actively involved in the promotion of business in northern Saskatchewan have the opportunity to be able to go out and access financial resources from the private sector.

I'm not sure, Mr. Minister, I'm hearing from you that that is going to be an opportunity. I would like, and those of us on this side of the House would like reassurance that SOCO is not going to be the only player in the game for financing in northern Saskatchewan for many of the communities out there.

We know that if they could get into the private financial sector, it would be a little more advantageous for repayment terms. We know that business plans would have to be rock solid — it doesn't matter whether it's for private sector funding or public sector funding.

So we're wondering, Mr. Minister, if part of the package, in order to have a land use agreement for private sector companies in the North and for communities in the North, is that the government would have to be in some sense a player in the game, financially speaking.

**Hon. Mr. Goulet:** — Like I mentioned, we had put in some money developmentally. The specific example that you gave me was the Northwest Communities. And we have put in some money already in that capacity on a developmental scale. And that's with the Northern Development Fund. We used the Centenary Fund as well to do the surveys, etc. I'll give you

back those figures that I've given you previously. But we also have provided dollars from the Northern Development Fund before on a developmental scale and will continue to do so.

On a larger amount, we are looking at SOCO and also CIC to do further developments. When those are sorted out, those are announced at the time that they are sorted out. But I am just letting you know that the North, which I've been not getting, you know, that much from the SOCO fund, now has examples that we can point to on the mining sector and now proposals on the forestry.

Possibly, any new proposals that might come in, the people now know that they got a worker in La Ronge that can work with them on SOCO. They've got workers that they can work with on the Northern Development Fund and they have already started meeting with CIC as well.

So overall, I think that the first step is to make sure that an entrepreneur wants to get up on their own two feet and get private sector funding. Obviously, that's the same is true for people in the North. And they will try and access that and as much as possible.

I've given you the Wapawekka Lumber case where, of that 22 million, you know, that was there, you know, 12 million was the banking system and various parts of it, plus, you know, the Weyerhaeuser and their own finances when the 5.1 and the 4.9 and the access by the bands. So you will see those sorts of configurations taking place.

A large role will always be played by the private sector, you know, on the banking side. But we also know that from a developmental view, government has to play a role and that's the point you're making, and I agree with you.

**Mr. Wiberg:** — Thank you, Mr. Minister. Mr. Chair of Committees, to the minister, from this side of the House we'd like to be able to wrap-up this area of estimates if we could today, Mr. Minister, because we understand that it's inconveniencing your department to be able to bring your officials in. But I think it's . . . you know, it's important for us to understand SOCO's role in forestry in northern Saskatchewan.

And you have mentioned that, yes, you're looking at it, but I guess we need to understand is the reasons that your department and Saskatchewan Opportunities Corporation is looking at investment in northern Saskatchewan, specifically in the large sector of forestry. We're sort of hearing and knowing that some big players in the forest industry have had talks with communities in the North about being able to develop large-scale operations that would provide hundreds of jobs in each of those communities.

And we're wondering then, Mr. Minister, when you look at partnerships in northern Saskatchewan, and of course the communities want to become significant players in order to reap the benefits. So maybe if we could have the opportunity to wrap this up, if you could, you know, explain very clearly to us so that we don't have to bring this back again — keep going over and over it again — why it is that these communities cannot access private funds? Or is it that they're not even trying and

they're just . . . that SOCO is going to be the only player in the game when it comes to financial resources?

**Hon. Mr. Goulet:** — The example I used right from the beginning was that many of the companies in the North access private capital. They've already been doing it and they will continue to do it. I gave you the case where La Ronge Band can access capital from across Canada already.

So the different levels of businesses will be able to access, you know, at different levels. Newer businesses, of course, always have a tougher time. They have a tougher time in rural areas, they have a tougher time in urban areas, and they have a tougher time in the North to access, you know, the capital requirements.

But when you're into a major development you will need support and I made it very clear to you that government will support through the Northern Development Fund, through SOCO, and through CIC. And I think I made that relatively clear.

Of course I cannot divulge the confidentiality, you know, of businesses and corporations, as you fully appreciate, in regards to negotiations that they do have. I leave that to the business sector. That is a rightful place for it.

And on SOCO, the estimates for SOCO come in with Economic and Co-operative Development. I've only made . . . answered your questions on SOCO, you know, to accommodate your questions. But we don't deal with them in the Northern Development Fund at all. We just have been operating as a partner, you know, with our staff and a SOCO person. And that's the reason why I was accommodating the questions under SOCO.

**Mr. Wiberg:** — Thank you, Mr. Minister. Mr. Chair of Committees, to the minister . . . And you mentioned quite clearly that SOCO is an arm of Economic Development.

But I guess we might as well let you know upfront and honestly that we're not going to have the wool pulled over our eyes. So are you — you are an arm of Economic and Co-operative Development; so therefore as an arm of Economic Development and . . . Economic and Co-operative Development, working with SOCO is simply part of your mandate.

And because that, you have developed a northern branch to SOCO that is a part of Economic and Co-operative Development; as is Department of Northern Affairs, is a branch of Economic and Co-operative Development. And if you're working very closely with communities in northern Saskatchewan, that they would go . . . they go hand in hand, Mr. Minister.

So just as a final question for today. Does the Northwest Community Futures have any opportunity for private financial access? Or is it too hard for them to access and therefore the only opportunity they are going to have if they want to become a partner in a large-scale expansion of the forest industry, SOCO is going to be an active player? Or is it the desire of Department of Northern Affairs, which is an arm of Economic

and Co-operative Development, which also has SOCO under its mandate to rather use SOCO as its financial institution rather than the private sector?

**Hon. Mr. Goulet:** — Right now they're doing negotiations. And the northwest communities will be doing the negotiations on the financial side of it, and I cannot make any discussion on that. That is the business of the northwest communities.

What I can tell you is that obviously they are talking about financing, and they would like to get the financing. But it is their business as to how they will access it over time. We have done our role with the Northern Development Fund, and all I'm saying is that anybody — whether you're from the South, from the rural area, or from the North — you have to apply to SOCO, have it analyzed through their regular processes of due diligence, and that . . . that's how it's done.

So it doesn't come to Northern Affairs. It goes to the expertise within SOCO. They have their own board. It's a provincial board, it's not a northern board, and they tackle that issue at that point in time.

But that's their decision making. It's not a decision making of Northern Affairs.

**Mr. Wiberg:** — Thank you, Mr. Minister, Mr. Chair. Thank you today for bringing your officials in. Certainly you have successfully avoided as many questions as possible. You say that these applications would go to SOCO. You are the Minister of Northern Affairs, you are also the deputy Chair of SOCO so you are fully well-aware of the hand in glove that goes on between SOCO and Northern Affairs, as we are on this side of the House.

But, Mr. Chair, we've probably spent as much time on this as necessary. I want to thank the minister for his time, and thank his officials for coming out today, and we'll move this along.

**The Chair:** — Committee members, in order to deal with this subvote, we would need leave to proceed past (EC01) to (EC10). Is leave granted?

Leave granted.

Subvote (EC10) agreed to.

The committee reported progress.

**Hon. Mr. Lautermilch:** — Mr. Speaker, I move this House be now adjourned.

**The Speaker:** — This House stands adjourned until Monday at 1:30 p.m. I wish everybody a good Father's Day weekend.

The Assembly adjourned at 13:00.