

EVENING SITTING

COMMITTEE OF THE WHOLE

Bill No. 12 — The Water Corporation
Amendment Act, 2001

The Chair: — I'd ask the minister to introduce his officials.

Hon. Mr. Osika: — Thank you very much, Mr. Chairman. I'm very pleased to introduce to introduce Mr. Clare Kirkland who is the president, Mr. Wayne Dybvig who is the vice-president of water resource management.

Clause 1

Mr. Brkich: — Mr. Chair, just looking at the Bill there it's just a kind of a one-page Bill, but I do have a few questions on it. Could you give a brief outline of the Bill and what you hope to accomplish with it? Does it going to affect the sale of water outside the province? Is that what it basically deals with, this particular piece of legislation?

Hon. Mr. Osika: — Mr. Chairman, to the member. The Act, the Bill, is meant to prevent the transfer of water out of Saskatchewan and thereby preventing any sale. So the movement of water out of Saskatchewan is the intent and thereby preventing the opportunity for the sale of that water to be moved in any way, shape or form, particularly through sale.

Mr. Brkich: — Thank you, Mr. Chairman. Does it affect the movement of water in Saskatchewan, how they would normally apply? Would they have to apply it different now? Let's say C&Ds (conservation and development), if they're moving water from one shed to the other or in situation that's happening right now, we're in a drought situation and there may have to be maybe movement of water being released from certain dams or certain areas to maybe another area. Would that Bill affect that?

Hon. Mr. Osika: — Mr. Chairman, to the member again. Yes, and I appreciate the concern. The intent of the Act is to allow movement of water within Saskatchewan but not the sale or export of Saskatchewan water.

Mr. Brkich: — Thank you, Mr. Chairman. Just one final question on it. You had talked about this Bill will prevent the sale of water outside Saskatchewan, which is a great concern. It's been mentioned to me and probably you that people in Saskatchewan definitely don't want water being sold or traded outside this province.

But dealing with NAFTA (North American Free Trade Agreement), would this piece of legislation be in conflict to them? Could you see a law suit or would this Bill that . . . or provide protection against anything like that, that NAFTA, the rules and regulations that were put in place at the feds, at the federal level?

Hon. Mr. Osika: — Mr. Chairman, our advice is, our legal advice is that it will not affect any agreements under NAFTA.

Clause 1 agreed to.

Clauses 2 to 5 inclusive agreed to.

The committee agreed to report the Bill.

THIRD READINGS

Bill No. 13 — The Class Actions Act/
Loi sur les recours collectifs

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

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

Bill No. 12 — The Water Corporation
Amendment Act, 2001

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

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

COMMITTEE OF FINANCE

General Revenue Fund
Women's Secretariat
Vote 41

Subvote (WS01)

The Deputy Chair: — I invite the minister to introduce her officials.

Hon. Ms. Hamilton: — Thank you, Mr. Chair. Mr. Chair, this evening I have with me on my immediate left, Joan Pederson, the acting executive coordinator for the Women's Secretariat. And right behind Joan would be Cheryl Senecal, the senior policy analyst. Thank you, Mr. Chair.

Ms. Draude: — Thank you, Mr. Deputy Chair, and welcome, Madam Minister, to your officials.

Madam Minister, I have a number of questions I want to go through, but one issue I would like to discuss up front is an article that was in the paper a while ago on farm women and the services that they are requiring and the stress that they are involved in right now in their lives.

And I know that with the minister of Rural Revitalization, concerns of rural women must be a big issue around your cabinet table. So the report, or this study that was released this year talking about rural districts, they talked . . . the University of Regina researchers made several suggestions, and they talked about things like a mobile health services — like a mammogram van, more use of nurse practitioners.

What type of involvement have you had in this report? And what kind of work are you doing now to make sure that some of these problems are being addressed?

Hon. Ms. Hamilton: — Thank you, Mr. Chair. I think I know the report the member's talking to, and I believe it would be the community-based reporting done out of the Humboldt area, but maybe I'd ask her to give me more specifics on that report.

But to the broader issue that she talks about. In essence Women's Secretariat doesn't do the programming for women, but what we do would be to certainly maintain close working relationships with key farm women's groups as a means of ensuring that the needs and perspectives of Saskatchewan farm women are being met when we're considering programs and development of public policy.

We've done that in a number of ways. One of them the member would be aware of because she certainly attended, as I tried to, for some of the If Gender Mattered conference, Policies and Strategies to Advance Women's Equality. And some of the sessions did address the changing roles of farm women and discussion of violence issues from the perspective of farm women. We've paid close attention to the stresses that farm women are under due to the financial strains that have been placed on them because of the rural economy.

So on an ongoing basis we're being able to get in touch with and keep in touch with the women's groups like SWAN (Saskatchewan Women's Agricultural Network), and the SWI (Saskatchewan Women's Institutes) and the NFU (National Farmers Union), and to, from them, get their perspective, understand how their issues should be considered in programs and policies that would be developed in Rural Revitalization, in Education and Training, in Social Services, in planning of programs wherever those programs would be housed.

Thank you.

Ms. Draude: — Madam Minister, the report that I am talking about is actually a survey and a study that was done. There was 3,000 questionnaires mailed to farm women in 20 Saskatchewan RMs (rural municipality) and they received 717 replies back.

One of the concerns that women brought forward was health issues — 55 per cent of them said their lives were somewhat stressful. And when they were asked what the best features of the health care was in their communities, 61 per cent said it was local access to doctors and to services.

Madam Minister, I know that at the same time your government is dealing with a Fyke report that is talking about closing down hospitals, ending up with 20 hospitals in all of Saskatchewan, and this report, these women are saying that this is one of the biggest drawbacks that they have.

Madam Minister, has the secretariat made a presentation to the Fyke report? Do you plan on doing that? Do you plan on bringing women's issues, health issues, to this board to let them know that there is major concerns with women's health issues and something that has to be addressed in rural Saskatchewan?

(19:15)

Hon. Ms. Hamilton: — Thank you, and thank you to the member for that question. The report was a report that was

being done on unpaid work, Mr. Chair. And when they were looking at that issue, of course for farm women — many of them now working on the farm, working off the farm, child care responsibilities, caring for senior relatives, the distances that they must travel for some of their services — then brought in to question how they felt about that depended on how they felt about accessibility to health care.

The responses would have been in the order of saying this either reduces their stresses or it can increase that or enhance that depending on what the services are that are available to them.

Now there are some programs that we always put in the forefront for women to be able to have located in their area, and one was talked about earlier today: the mobile screening, breast cancer screening for women; the air ambulance, making sure that we have those available for rural and remote areas. There are some of the initiatives within the community health centres now that are more a more proactive approach and provide the networking and some of the support programs, and I believe that's what's contemplated when we're talking about some of the discussions through Fyke.

Women's Secretariat will be listening to women throughout this process and will be looking at gender-based analysis on the Fyke report and how government would intend to respond to the final recommendations of Fyke and the input from the community. So we certainly want to be a part of that and make certain that the rural women's voices are not lost but enhanced through the Women's Secretariat processes.

It would be good to note that, at the If Gender Mattered conference, there were representatives who had been working with Saskatchewan Health, Women's Secretariat people working with Saskatchewan Health as well as the Prairie Women's Health Centre of Excellence and that's to advance the increased understanding of how gender-based analysis can more effectively be integrated into the health sector. So we're hoping with all of things coming together that we will be a significant input into those processes.

Ms. Draude: — Thank you, Madam Minister. I know that the mandate of the Women's Secretariat is huge, and I've always wondered how you can possibly do everything that you're suppose to be able to do when it comes to looking at women's issues and all the problems that women are faced with, not only in just the working world but within their homes as well. And when we talk about this report that one of the questions that was asked was, what was the worst feature of the health care, and they said half of it was lack of services in their community. Half of the women said lack of services in the community was the big problem.

Madam Minister, saying that you are going to look at the Fyke report and monitor it isn't good enough for women in rural Saskatchewan. If you're going to be the voice there, somebody has to be right there in the face of the people that are making the decisions, not looking at the report afterwards. When half of the women that are interviewed say a lack of services is a huge concern, then I think it's not okay to sit back and say well wait and see what's going to happen; you have to be in their face.

So Madam Minister, is your department going to be at every

one of these meetings? Are you going to be monitoring it so that you can actually have a voice at the table and make a difference to the women in rural Saskatchewan?

Hon. Ms. Hamilton: — Thank you, Mr. Chair. Certainly women are not strangers to the do-everything approach, but here it's very important to understand that Women's Secretariat cannot do everything.

Its mandate is to be able to work with all areas of government so that their consciousness is raised on the issues that are present for women in particular because those voices are clearly under-represented at all of those tables.

So what Women's Secretariat would do is make certain that when programs and services are being developed that they would be there with the voice of women and not only that voice, but armed with the research and statistics needed to be able to advance the reasons why they should be prioritized, and certainly understand that accessibility to programming is a major concern.

Now that can't just be done by one department alone, although Health will be the key to that. But certainly integrating some of the services that can be provided to women and how they're provided in the communities and developed would be modules that you would like to capture and to put into other places. And there are some that are working. And again the Prairie Women's Health Centre, in conjunction with Health and the secretariat, would be looking at those and saying how those kinds of services could be accessible to more and more women.

And in the area of the Fyke we would be, as a secretariat, at the table working with Health to understand the concerns that women have — particularly in this instance in rural Saskatchewan — because we have heard them from women in rural Saskatchewan with the working relationship that we have. We're no stranger to those issues.

And then we would work with Department of Health to provide them with the best analysis that we can, and certainly the understanding of where the priorities for programming are for women who are saying that the number one issue for them would be accessibility to services that they need closer to home.

Ms. Draude: — Thank you, Madam Minister. Farm women of course are involved in the farm crisis that we have out in rural Saskatchewan. It isn't talked about very much any more, but it is still very much alive and very much a huge problem. And with the drought in many areas, it is getting to be a bigger problem.

Madam Minister, earlier this year we talked about sending a delegation to Ottawa to make sure that the concerns of farmers and the economy as a whole was brought into the face of the federal government, and your government defeated that motion or that suggestion that we do that.

And so the women that are involved in the farming industry right now are bearing a lot of the brunt of the problem, not just doing work . . . working off the farm and doing work on the farm and raising their families and keeping their community going. Their voice has to be heard. And I always thought it

would be nice to have a different perspective. Maybe the federal government would have been very appreciative and open to having a voice of women, of the farm women, brought to their table.

Did your department have any type of correspondence or interaction with the federal government to make sure that they recognize that farm women are being affected in this crisis to a great extent?

Hon. Ms. Hamilton: — Well, not being the Minister of Agriculture or the Minister of Rural Revitalization, I would say this as a member who's representing women's issues and talking about Agriculture.

The decision not to send all of us at once without any organized work being done on who we would be able to approach and what we would be able to present and not get a proper hearing, and perhaps do more damage to the presentations that are made in a formal way through many groups that have been in the past but also the groups who are here and working really hard to get that message out, I would think there were the reasons that we articulate in this Assembly why we wouldn't all be going to Ottawa, Mr. Chair. That being said, there were approaches made to Ottawa.

The member would remember that we all came back; we were going to have a unified voice. And it's that member's critics work that split that voice and cost this province a lot of dollars in trying to find the additional supports that we would have to come up with — more dollars than ever before out of provincial coffers that take away from the kinds of dollars we have for programs and services for women.

In my role, Mr. Chair, when I would go out to federal meetings with ministers of this same interest, the women's secretariats and the other organizations and other governments that cover the issues that would be addressed on behalf of women, it's certainly something I would bring forward in those forms because it's the top of mind issue for Saskatchewan.

When you look at the kind of economic situation women are facing and in doing that sometimes having a triple and sometimes quadruple workday, Mr. Chair.

I would say that in the previous delegation that went we were keeping an eye on what kind of delegation would be sent and influencing the decisions not just to send farm men or men to different organizations, but be very mindful that women needed to be a part of that delegation and women were present there, Mr. Chair.

Ms. Draude: — Madam Minister, I would think that maybe you better check your facts on what happened when it came to the problems in agriculture and better place the blame firmly at the feet of the people who didn't do anything.

You talked about the damage that we could've done. There was nothing done. There was nothing done in Ottawa and there's nothing helping the farmers in Saskatchewan here at all. Anything you could have done would have been a benefit. There is absolutely nothing done by this government for farmers of any sort. And when it comes to rural . . . the farm

women especially so.

You talked about the wonderful job that you've been doing. Well maybe if we want to get away from farming for a few minutes maybe you could talk about women entrepreneurs and the fact that there is a . . . they themselves have special problems as well. I've had a number of young women say to me, if I'm going to start a job, a business, and create employment in this province as an entrepreneur and then have a family as well it doesn't leave . . . I have no ability to collect maternity leave through the EI (Employment Insurance) benefits.

And I'm wondering if your department has looked at that issue at all because of course the young women not only are . . . we're banking on them to keep the economy going but we're also banking on them to make sure we have children for the future as well. So what has your department done in that area when it comes to working with women entrepreneurs?

(19:30)

Hon. Ms. Hamilton: — Through you to the member, Mr. Chair, we know that women-led businesses are a powerful force in this province. Women are starting businesses at more than twice the national average, and they are creating jobs at four times the average rate. And I would say nothing but praise and congratulations to those women who have that entrepreneurial spirit, who tend to do their homework, develop their business plans, and tend to be more successful when they are starting a business because they've done that work. And the member would know that clearly that there's nothing but good to be said about women who are becoming entrepreneurial and getting into the business world.

In the area of EI benefits, it's one of the areas that we're going to be talking about at the federal-provincial-territorial ministers' meetings because we're going to examine that whole area: how we support women who are in non-standard work. And there are benefits that are not accruing there, are not following women into those categories although we know that these women are a powerful force in the economy and provide benefit to the economic development of communities and provide work and jobs for people within those communities and would be looking at attendant benefits for those kinds of situations.

So it's certainly a top-of-the-mind agenda. And it will be brought forward in a national sense at our federal-provincial-territorial ministers' meeting.

Ms. Draude: — Thank you, Mr. Deputy Chair. To the minister, I agree with you. We're definitely on the same wavelength when it comes to the success of women and the importance of women in the business. I'm sure that you're aware that women who start businesses are three times more likely than men to make a go of their business.

And to hear you say that you're going to bring it up at the provincial-territorial meeting is important, and you'll have full support from all members on this side of the House when it comes to hearing that women's issues are going to be brought forward. And things like extending EI benefits for women in business is very important. So I'm very pleased to hear that.

The last time we had an opportunity to speak, we talked about Working for Women and the annual grant proposal that had been rejected by your government. And now the Working for Women has been forced to close the doors. The reason that was given to us for this is that the grant proposal was too narrow; it served too narrow an interest group. Working for Women has a 20-year history in the province, and on an annual basis the operation served 400 women. And they helped them with counselling, skills training, and employment.

From the Women's Secretariat standpoint, what alternatives are there now for women who will not be able to access these programs and services that were supplied before by Working for Women?

Hon. Ms. Hamilton: — This is the first time that the Department of Post-Secondary Education and Skills Training are developing processes to evaluate proposals that are using now specific criteria and all the proposals are being assessed on the same set of criteria.

We've also requested, and we have the commitment from Post-Secondary Education, to make certain that gender-based analysis and particular information that Women's Secretariat has gathered and understands about the community-based organizations like Working for Women, would be a part of that process.

The needs of women would be incorporated within the broader theme of this one as multi-barriered. And we believe that those agencies that are receiving funding now through the processes that we're developing, and through the checklist of Women's Secretariat and Post-Secondary working together to do the work of understanding the services that were provided by one organization but another one who in those processes has put in proposals that addressed the broad spectrum of issues but also how they would identify with those needs of that particular organization, would be met through the proposal.

So we're remaining confident that those organizations receiving funding with services provided by the Canada-Saskatchewan Career and Employment Services offices would be able to provide career and employment services to meet the needs of all women. But we're working very closely with Post-Secondary Education and Skills Training and the YWCA in Saskatoon to respond to the needs of the women in the community, making certain that the aspects of that organization and the way that they were addressing the needs of women who have multi-barriers to face would be met through the programming that was successful.

Ms. Draude: — Madam Minister, Post-Secondary Education is dealing with the issue now, and I'm wondering when this program is going to be available through Post-Secondary Education? And how are you going to let the women that were previously involved with Working for Women know that they now have to go to a different department?

Hon. Ms. Hamilton: — The Minister of Post-Secondary Education and Skills Training is probably chomping at the bit to answer this question, and I'm going to give it my best shot too because I know for a few months now there has been transition planning in place with this group working toward the new

programming.

The contracts are now being in their final stages of negotiation and should be secured soon. And in the meantime, the Canadian-Saskatchewan service centres are operational, and they're providing some of the employment services, and we're hoping that through those steps that are being taken, the needs of those women — not all of them perhaps at one time but in this transition period hopefully as smoothly as possible — can transition into the new programs that are in place and the contracts that have been finalized.

Ms. Draude: — Thank you, Madam Minister. I'm sure that there will be . . . women will be pleased to know that there is going to be some help for them, and I know that it's going to take some work and some advertising to let them know about the availability of some of the programs.

I'd like to talk about the Network of Saskatchewan Women. They've identified barriers to women's education. Has the Women's Secretariat had the opportunity to work with the Network of Saskatchewan Women, and if so in what capacity?

Hon. Ms. Hamilton: — We're not clear about the Network of Saskatchewan Women, Mr. Chair, and so we need some clarification on that. That's not saying that we don't already network with a number of women's groups who have concerns about the new program and the way they'll be delivered through Post-Secondary Education. And we know that in talking with the people responsible for the programming in that department that they are aware of the women in the community who are trying to make certain that this transition goes well.

So if we could have some clarification on who you would think belong to the Network of Saskatchewan Women, particularly with Post-Secondary Education, we would try and get a better answer for the member opposite.

Ms. Draude: — Thank you, Madam Minister. Mr. Chair, I'll send the minister over some information and probably then she'll be able to answer the questions for me. But in the meantime, one of the recommendations is we tie it to the provincial training allowance. It says the government should revise the criteria and it should be based on individual income or cash flow so women are not tied to spousal or family income sources. And I'm just wondering if you could give me an idea of how you're dealing with provincial training allowances as well?

Hon. Ms. Hamilton: — The Saskatchewan Action Committee received some monies from the federal government to look at this area and developed from that a working group which I would believe is the Network of Saskatchewan Women. As the minister says to me, he met with that group about a year ago now and talked about some of those issues, such as the bridging program that was a federal-provincial initiative. And we know when the bridging programs were in place and discontinued there was not the transition. There was a falling off of the table of some of that programming to women because it had not been immediately identified and picked up as quickly as it could be. And that's why we were trying to make this transition with those ideas in mind.

They've also presented to us the, and as you've mentioned here, the women in trades and technology which is very important to a new age economy because we know that women who are trained from some of the trade and technology programs are finding record number of jobs right here at home. And it's very important to have us identify for them the training that can be available and the jobs available as well.

And I think that there's much work that's been done by the Saskatchewan Labour Force Development Board as well. They have good information and statistics. We've seen those and are able to feed in some of the information we have from our close relationship with the Saskatchewan Action Committee and other women's groups to be able to further some of the recommendations that you've presented to me. Thank you for sharing that information this evening.

Ms. Draude: — You're welcome, Madam Minister. I just have one other question. This is one area that I think is very interesting. There's been a lot of work done and I think that we can all benefit from the intense amount of studies that were done with the Network of Saskatchewan Women. They recommend that isolated, rural, and northern groups of women should not live in fear of losing custody of their children while they attend school or they're in training programs far from their homes.

Have you heard of this happening? And if you have, what is the Women's Secretariat's stand on this issue.

(19:45)

Hon. Ms. Hamilton: — We're not aware of any cases where women going to school would have that problem or fear. What we do know is it's one of the reasons why it's so important to begin to develop programs closer to home. And there are many venues to do that through Post-Secondary Education, and certainly into the future it's going to be very important when we talk about CommunityNet and to provide on-line services in communities where women can then not have to worry about leaving home and/or children and the costs of child care.

I know in the training allowances area we've had a review. We're trying to provide those kinds of supports to women and we certainly would look at . . . in the bridging to independence strategy those kinds of initiatives where we need to support women particularly in their child-bearing and raising function to be able to continue to do that while they're achieving their education. And we know that women are very capable of doing just that.

If there's someone that you're aware of we'd appreciate knowing about that and seeing if there is a gap or, if it's just that the women who are involved in the situations that you might be aware of, need us to be able to understand how best to meet their needs in the programs that are available today.

Ms. Julé: — Thank you, Mr. Chair, and good evening to the minister and her officials. Madam Minister, I'm sure that you are very well aware that Tamara's House in Saskatoon is doing some fabulous work in regards to assisting women who have experienced sexual abuse as children with their trauma and helping them work through it.

I'm wondering just at this point whether or not the board of Tamara's House has approached you to assist them with your influence in government, I guess to cabinet, to provide some provincial assistance for Tamara's House.

Hon. Ms. Hamilton: — To the member, Mr. Chair, your question is very timely. I did sign a letter today to Tamara's House, the women representing the house. And I know that this week they're meeting with a number of ministers from the relevant departments that would provide the financial supporting to the work they do.

With that in mind I've been, as the Minister Responsible for the Status of Women, lending my support to the valuable work that they provide to the community and I was mentioning that early this fall, I'm looking for an opportunity to go and see the work myself and to be able to understand more fully all of the valuable service provided there. I have heard colleagues who've had some very positive discussions, and I know the minister who has Tamara's House within the constituency is very concerned for them and wanting to provide as much support as possible. So this is a timely question. I can only say that I know we're trying to have the appropriate ministers meet and see how we can make certain that Tamara's House provides those services.

Ms. Julé: — Thank you, Madam Minister, and I'm heartened and confident that you, in fact, do support them as far, in principle. But I guess that it's important for them to recognize and to be able to be the benefactors, or beneficiaries rather, of financial assistance. Because up until now, I believe, that primarily all of their money or a very large portion of it came through the federal government.

So I would be happy if, in fact, the provincial government would see to it that there is funding coming from the province because, as you well know, they're expanding their place. They are going to be having basically in-house placements for women that are suffering from trauma, and they're also introducing and promoting a lot of alternative therapies, natural therapies, holistic therapy, whereby the women who are in need of them and who have witnessed that they're very helpful will continue to benefit from them.

So I just wanted to make the comment. I don't have a question for you in that regard. But Madam Minister, I do have a question for you.

I know that I can't imagine quite right now what it's like to be in cabinet and discussing the different issues and so on and what, you know, how much influence you may have. But when cabinet is discussing things like what should be under the drug plan, I'm wondering if you've ever brought forward to cabinet the idea — and certainly whether or not you've supported the idea — of estrogen being under the drug plan. I say that simply because the larger part of our Saskatchewan population are women. This is a very real need as women, women go through, through mid-life and they have a great need for this, and I'm wondering why that is not, not considered as being important enough to be in the drug plan.

Hon. Ms. Hamilton: — And I thought my electric moments were going unnoticed by the member opposite, Mr. Chair.

There are a number of many, many serious issues that we're talking about of course and she's been doing some many hours of work on a committee that is paying much attention to one of those issues of extreme importance.

I guess with that in mind, when we're talking about Department of Health and what they're looking at covering and not covering, that one topic hasn't come up. But certainly when we're looking at what's provided under the *Formulary* it might be worth having a look-see, have the committee or Health take a look at that, because we are a boomer generation and there are many out there and I'm sure that the quality of life of men and women would be improved with the availability of the product. So at that point that's all I can say for now, Mr. Chair.

Ms. Julé: — Madam Minister, this is just a really interesting conversation and I guess we are kind of chuckling a bit about this, but in reality it is I think deep concern of many women and you know you can have . . . we've gone through all kinds of description of what women are like if they don't have the replacement therapy they need.

Hormonal rage can lead to men getting beat up. Hormonal rage can lead to disruption in families. So I think it's really very important that women have the available treatment that they need and that's covered because a lot of women can not afford to have that particular replacement therapy simply because they don't have the money.

So I thank you for your comments, Madam Minister, and I wish you a good evening.

Ms. Draude: — Thank you, Mr. Chair, and thank you to the minister and her officials and that's all the questions that I have for this department.

Subvote (WS01) agreed to.

Subvote (WS02) agreed to.

Vote 41 agreed to.

Hon. Mr. Lautermilch: — Mr. Chair, I move that we report progress.

General Revenue Fund Saskatchewan Water Corporation Vote 50

Subvote (SW01)

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

Hon. Mr. Osika: — Thank you, Mr. Chairman. I'm pleased to introduce once again Mr. Clare Kirkland who is president of Sask Water Corporation; Mr. Wayne Dybvig who is the vice-president of water resource management; and Mr. Bill Duncan who is the chief engineer; and Mr. Dave Schiman who is the manager of financial planning.

Mr. Brkich: — Thank you, Mr. Chair. It wouldn't be fair to talk about Sask Water without talking potatoes. I don't think we

talked about them last time. So we'll discuss them a little bit this time.

I want to discuss the, I guess, the current crop year that was taken off last fall. Can you tell me how many acres were planted last year? And how much of that production has been sold so far?

Hon. Mr. Osika: — Mr. Chairman, the number of acres that were planted to potatoes were 1,329. But as a result of the business transaction that took place we do not have the figures or we're not aware of what has been sold because of the transfer, that the member is aware of, the transfer in ownership, if you wish.

Mr. Brkich: — Going back, when did you transfer ownership, I believe now it's Sask Valley all under CIC (Crown Investments Corporation of Saskatchewan). Can you give me the exact date when the transfer took place?

Hon. Mr. Osika: — The total transaction, Mr. Chair, took place June 30, 2000. And all of the assets were then . . . became the property of CIC.

Mr. Brkich: — I'm going to regret asking Sask Water about potatoes next year. I don't know what we're going to discuss now that you've sold them. I hope I wasn't the cause of that.

Can you tell me what the total amount of the sale was at that particular time that the assets were transferred over to CIC?

(20:00)

Hon. Mr. Osika: — Mr. Chairman, to the member. There were actually two transactions that took place. The two transfers, SPUDCO (Saskatchewan Potato Utility Development Company) of course, from Sask Water to CIC and then on to Sask Valley Potato Corporation. And the other part of the transaction involved the potato storage association. And that similarly went to the Sask Valley Potato Corporation.

I'm not sure if the member is looking for dollar figures and if that's the case, I anticipated correctly, Mr. Chair. We will have that. Please be patient. Thank you.

Mr. Chairman, the assets that went to Sask Valley Potato Corporation, \$16.6 million. That was from Sask Water. And from the storage, from the Riverhurst and Tullis storage that went over to Sask Valley Potato Corporation was \$5.2 million.

Mr. Brkich: — Mr. Chairman, was that done by an order in council?

Hon. Mr. Osika: — Mr. Chair, I'm advised that it was the first transaction from Sask Water to CIC, and then to Sask Valley Potato Corporation. The figure I mentioned of 16.6 million was as a result of order in council; the second one was not.

Mr. Brkich: — Going back to the order in council, is there a particular figure that you have to go to before you need an order in council? Like a level like you say . . . you said the one was about 5 million, the other was 16 million. Let's say \$6 million, anything above that would you need an order in council?

Hon. Mr. Osika: — Mr. Chairman, I'm advised that if it's sold to a third party, then the figure is \$250,000. But if it's from subsidiary to subsidiary, then it's not required.

Mr. Brkich: — Thank you, Mr. Chairman. So 250,000. How about when you acquired the sheds from . . . when you assumed the mortgages when Lake Diefenbaker went broke, I believe you'd assumed some of them for 5.810 million. Did you get an order in council then when you took that over?

Hon. Mr. Osika: — Mr. Chair, those mortgages were not assumed. They were continued to be held by the potato storage companies. So the mortgages were not assumed.

Mr. Brkich: — You didn't . . . just now maybe I misunderstood here. You didn't buy out CIBC (Canadian Imperial Bank of Commerce) then, their share or Farm Credit, on their mortgages?

Hon. Mr. Osika: — Mr. Chairman, it was the storage company that paid out the mortgage and that particular mortgage was subsequently part of the deal that was sold through the Lucky Lake potato company.

Mr. Brkich: — That was then they were sold to, but didn't you purchase . . . have to assume the mortgages when Lake Diefenbaker went bankrupt?

Hon. Mr. Osika: — Mr. Chairman, to the member, I know these are important questions that need to be specifically answered as the member and Mr. Chair, you'll recognize some of the technical and specific responses are difficult to put together and my concern is a misinterpretation or misunderstanding.

I would be very, very pleased to accommodate the member to respond to specific written questions on this important issue and respond in writing so that we make sure that there's no misunderstanding in what the questions are intended or the answers that are given because I want to assure the member opposite and the House and, Mr. Chair, yourself that I want to make sure that the answer is given on this and any other issue are factual and that they're not misunderstood and misread or misinterpreted.

I would prefer to do that. It is . . . and I'm sure that members will appreciate and understand as we all do, sometimes when you get to talk on high financing issues and you're dealing with accounting matters, mortgages and so on and transactions in properties and shares and whatever, it does get a little complex for yours truly, it certainly does, and perhaps for others who are not as fine-tuned in these financial transactions.

So I would prefer to do that, if the member would be amenable to that I'd very much appreciate it and to ensure that the proper, the right answers were given to these very technical questions.

Mr. Brkich: — Thank you. Okay, I've many questions here and yes I will forward to you on the mortgage end of it.

One other question when we're under . . . looking back through here we talked about Crown tendering that was done in 1998. You said you'd provide details. Did you, on the sheds; did you

talk to the officials? Have you looked that up yet to see if you followed it up?

Hon. Mr. Osika: — Mr. Chairman, I'm sure that's the issue that the member is referring to that occurred three to four years ago. I am aware that there have been some questions surrounding that particular transaction have been posed at the Crown corporations meeting and that there was a letter requested explaining in detail again what was involved during those transactions and that letter is being prepared to the member, Mr. Chair. And it will be . . . all those details once again explained to their fullest will be addressed to the member from Arm River. And I thank you for that.

Mr. Brkich: — Thank you, Mr. Chairman, and thank you, Mr. Minister. Okay I will look forward for that letter.

One more question on potatoes. And I know you're not involved with the 2000 crop year, 2001 crop year that's being spread out on the ground right now in Broderick. But as being a Sask Water official are you aware of where they're being spread in proximity of Broderick's water supply right now?

(20:15)

I'll just give you some more information. I believe that it's being . . . the field that they're being spread on right now is about a hundred feet from their well that is being used, and I know that there has been complaints issued, I think — I believe — officially Sask Water and I believe to SERM (Saskatchewan Environment and Resource Management) about that.

Have you talked to CIC about this spreading of potatoes? I was . . . just talked to the councillor yesterday in Broderick and they were still dumping potatoes and now they're in the process of working them in the ground. And the town councillor and the mayor and the many residents are very concerned about their water being contaminated by the potatoes that are being dumped in the field.

The Deputy Chair: — Order, order.

Hon. Mr. Osika: — Mr. Chair, I'm told . . . I'm not aware of any formal complaint, any formal complaint that's been made with respect to the potatoes being spread on any fields adjacent to ours. But that is a concern and will certainly be looked into as soon as possible. It's not been brought in any formal way to our attention that people in the area have expressed a major concern, but it certainly is a concern and it will be looked into.

Mr. Brkich: — Yes, we will pass that on to the councillor and the mayor and they probably will contact your office. They may have contacted Moose Jaw — I'm not sure.

Mr. Chairman, with that, I'll turn it over to the member from Watrous.

Ms. Harpauer: — Thank you, Mr. Chair. I have two situations in my constituency that I would like to bring up or bring to your attention. One — if you'll bear with me it'll take a few minutes to describe what's happening so that you have an understanding of their situation — but it's in the community that's surrounding South Allan, and they applied to the PFRA (Prairie

Farm Rehabilitation Administration) for assistance for a water project.

And a survey was conducted at that time to identify the extent of the need for better quality water in the area. There was found that there was a need, and so the application was filed in 1998. And earlier in this year of 2001 their application was approved. And at that time they were advised to form a utility, get the appropriate documentation and registration numbers, set up a bank account, and to elect a board.

And in February, the PFRA advised the new utility which they named Allan south rural water utility to apply for FIP funding. The board was advised by PFRA that if the new utility did not qualify for funding under FIP that the funding allocated by the PFRA would remain in place for them if they needed it. So the board decided to follow that advice, but when they applied for the FIP program they found they had to complete even more paperwork and there was a lengthy wait from that program to see whether or not they would qualify.

When they did finally hear from FIP, they were told that they did not qualify. And during the delay in the reply they discovered that PFRA had reallocated the monies initially delegated for their project and they had given it elsewhere. So now they're back to having no funding. They've spent a great deal of time and some money, and they still have extremely poor-quality water.

In the letters that I received on this, one particular letter dated June 19, 2001 written by Charles Smith — he's one of the fellows who was on the steering committee for forming the Allan south rural water utility — he writes:

A boil-water order for this community would be considered a blessing, as the water would be safe after boiling. This water is not fit to wash clothes in, drink, or shower in unless a film of brown, rusty crud on your body is considered acceptable. Some residents complain that their children are often ill but for no reason.

He goes on to say that:

We perceive this to be yet another event where cities or towns with ecoli or boil-water warnings or areas where there have no doubt been problems have captured the eye of the media or politicians and therefore the money follows. In the meantime, rural people in communities live with water, which is not even fit to wash in.

He also sent me a copy of a letter from Sask Water to the South Allan community dated April 8, 1999. The letter does state that the water supply is of very poor quality. And also I have a letter by the earth science division of PFRA dated April 24, 1997. This letter was written after a new well had been dug and tested in an attempt for the community to obtain better water. And that letter states:

There is no question that the water quality from the new well is even poorer than the old source.

Clearly the people of South Allan community no longer know which way to turn. They are in a situation where they no longer

know what to do.

So considering that there definitely seems to be the need for better quality water in their community and the unfortunate way in which all these events unfolded, is there any avenue that they have available to them where their fifth application would be reconsidered?

Hon. Mr. Osika: — Mr. Chair, to the member, I'm not sure I was clear on which programs South Allan had applied under. If it was a Canada-Saskatchewan Infrastructure Program . . . if, I'm not sure if that was a program but regardless there's still an option I'm told that — but it's a costly one — that would help ease some of the problems that the member was relating. And it would require an extension of pipe, again which would be a costly endeavour from one of the other areas to that particular location. And I'm not clear either whether there's ongoing dialogue. I've made note of dates of a couple of letters but they go back to '97, '98, and '99.

The most recent ones would really be of interest to me and perhaps supply a clearer picture of what the concerns and determination of whether it's under the Canada-Saskatchewan Infrastructure Program that there was an application and a denial. If it was a green project and an area that there was some concern expressed about, I'd really be interested in being more aware of what the project was and the correspondence and between whom.

The member had mentioned a FIP program, and I'm not . . . not . . . that one doesn't . . . is not clear in my mind whether that might be a program that PFRA had in place but I'm not aware of that one.

It's the Canada-Saskatchewan Infrastructure Program that is administered through Municipal Affairs but involves SUMA (Saskatchewan Urban Municipalities Association), SARM (Saskatchewan Association of Rural Municipalities), and representatives on a project board to determine priorities for applications in situations that the member has described.

So I'd appreciate it if he could share some recent correspondence and details because I certainly would like to look into that to find out what is happening, and if there's some assistance available or some guidance or some advice, we'd be more than happy to supply it.

Ms. Harpauer: — Thank you very much, Mr. Minister. I have . . . he sent me quite a bundle of information. I'd be more than happy to photocopy it all, forward it to you tomorrow, and any assistance I'm sure they will more than appreciate it. So thank you very, very much.

Mr. Brkich: — If you're sending some information I would just . . . I see a global has just come. I just got them. I was just looking at some more information you could fill out on them though. You've got no salaries for office personnel and minister's travel or fees and charges on legal action. I can't believe the trouble Sask Water's been in over the number of years that you would have no fees on legal action. I'll just ask that. Would you have an idea how much you spent on legal action this past year?

Hon. Mr. Osika: — Mr. Chair, the information supplied in the globals are in response to specific questions that are asked for specific answers. I understand that those were not specifically asked for. But if those answers are not there and they were specifically asked for, we will certainly supply them.

Mr. Brkich: — Thank you, Mr. Minister. You can look in *Hansard* in what I requested for the salaries and minister's travel. But the question I'll ask you right now, how much money did you spend last year on legal fees? Would you have that there?

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

Mr. Kwiatkowski: — To request leave to introduce a guest, Mr. Chair.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Kwiatkowski: — Mr. Chair, it is my pleasure to introduce to you and through you to all members of the Assembly, a guest in the Speaker's gallery, Mr. Ken Rauch. Mr. Rauch just recently retired after a 20-year career with government, the last 15 of which were spent as a community program consultant with community living division of Social Services. And in that capacity, I, as general manager of Porcupine Opportunities Program and as president of SARC (Saskatchewan Association of Rehabilitation Centres), spent a lot of time with Ken and very much respected his professional approach to the services and the communities that provide those services for people with disabilities in our communities. And I'd ask everyone to join me in welcoming Ken this evening.

Hon. Members: Hear, hear!

The Chair: — Why is the member on her feet?

Hon. Ms. Lorjé: — Permission to introduce guests.

Leave granted.

(20:30)

Hon. Ms. Lorjé: — Thank you, Mr. Deputy Speaker. I would like to join with the member from Carrot River Valley in welcoming Mr. Ken Rauch to the legislature. And I am so pleased to hear that the member from Carrot River Valley is very impressed with Ken Rauch because, as members on this side of the House will know, Mr. Rauch, now that he has retired, is doing wonders for the New Democratic Party and indeed is the treasurer of that party.

And I am sure that when the member from Carrot River Valley goes up to talk with him in the gallery, that Mr. Rauch will be more than pleased to sign him up on a pre-authorized chequing account and take his membership for the NDP (New Democratic Party).

Please welcome Mr. Rauch to the legislature.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

General Revenue Fund
Saskatchewan Water Corporation
Vote 50

Subvote (SW01)

Hon. Mr. Osika: — In response to the member's question, there was a total of \$93,013 for legal fees last year.

Mr. Brkich: — Thank you, Mr. Minister, for that. Some questions we'd asked under the Crown Corporations Committee meeting that one morning there, one of the questions we'd asked was dealing with the water, rural water quality programs. And you had kind of broken it down.

And I think in 2000 you had said . . . I'd asked for research money and I believe it's got written here respectively in 2000, \$500 for research that was the amount budgeted. Can you tell me how much research that would have bought? Five hundred dollars doesn't seem like a lot and I think the whole budget was about \$300,000. Why so little money budgeted for research and development, and what was that \$500 used for?

Hon. Mr. Osika: — Mr. Chairman, to the member, the intent was to carry out certain amount of research. The opportunity to carry that research did not surface so the money, there was only \$500 spent although there had been a larger budget applied for or there had been more money budgeted for.

For example this year, now that there are major, specific programs or projects that need to have adequate research there is \$70,000 that has been budgeted for. So there will be some extensive research programs. There are those occasions when you look to the future, and you have a plan to do certain . . . carry out certain initiatives that perhaps don't come to fruition because of other attention that's needed elsewhere. But the money is there. It was there. If there had been specific projects targeted for research, they didn't come to fruition but will be this year, and that's why the extended amount of monies for in the budget for this current year.

Mr. Brkich: — Thank you, Mr. Minister. Mr. Chairman, can the minister provide me with the breakdown of how that money was spent for the year 2000, the money that was budgeted for the whole rural water quality program? Do you have a breakdown of that, right there?

Hon. Mr. Osika: — Mr. Chair, Deputy Chair, to the member. The variety of projects within the water quality program, the expenditures totalled \$374,000. And I believe in my discussions with the member previously on this issue, we had discussed that there were targeted issues within that particular project. Such as, in general terms, the rural water quality which had an expenditure of its own; the rural quality . . . water quality advisory program — there were numerous small issues within this major project; water quality inquiries then again elicited some costs; education and awareness; and research and development. So all of these components into the rural water quality component or project, if you wish, totalled \$374,000.

Mr. Brkich: — Thank you, Mr. Minister. What I wanted, and

you can . . . I want that now I guess because I was asked if you had it. Can you provide me just a breakdown of each department, what department it was spent on? Of the 374,000, you named four departments. You can get back to me with a letter with the other information; just a breakdown of each department, what it was spent in.

And in advance I'll thank you and your ministers for your questions. And I believe the member for Watrous has one quick one.

Ms. Harpauer: — Thank you, Mr. Chair. I have another situation in my constituency that just recently happened. And I'm not sure if you're totally familiar with the practices that intensive hog operation use in injecting the hog waste into the fields. But when the machines that are able to do this are used, they have to, at the end of the field, lift the shanks out of the soil and there is no check valve mechanism that's yet been invented that they can stop the flow of the raw sewage from just dumping on to the surface of the soil. And so therefore at the ends or the corners wherever the machine has to turn around, the raw sewage is just being dumped on the surface rather than injected.

In the situation that's happened in my constituency the field that was being used for injecting the hog waste had a slope towards the ditch at the one side, and directly across the ditch was another producer's water supply in the form of a dugout. The dugout was wide open to view. It wasn't hidden and so it was obvious it was there.

There was a culvert through the road at that particular location. So the raw sewage would enter the ditch. It passed through the culvert and go directly to the other fellow's water supply, which was only a few metres from the road.

Is there any regulatory . . . or regulations or any standards or any restrictions that are in place when it comes to injecting the raw sewage from hog operations or any animal operations to protect water supplies?

Hon. Mr. Osika: — Mr. Deputy Chair, to the member opposite, I'm advised that this type of a situation comes under The Agricultural Operations Act and there are guidelines that Sask Ag and Food sets for these types of operations. And I appreciate you raising that concern because it would be a concern.

And I would suggest that the gentleman who fears for contamination of his water would contact Sask Ag and Food and indicate what the specific concerns are. And I apologize for not being able to address that more directly.

Ms. Harpauer: — Thank you, Mr. Minister. And I'm sure you do agree that practices such as this is severely damaging the public acceptance of having intensive hog operations in the area. And in my case there's a number of producers who do have such operations and so the public acceptance is very important in my area.

With that I'd like to thank you and thank your officials for being here tonight.

Hon. Mr. Osika: — Thank you, Mr. Deputy Chair, and to the members opposite I want to express appreciation to the questions asked by the members opposite. I also want to express appreciation to members of the staff in Sask Water who are there and are there to hear any concerns that people may have with respect to water, which is very important to all of us. While I'm on my feet, I'd like to introduce to other people who work with Sask Water and that's Greg Argue and Tom Gehlen who are sitting in the Speaker's Gallery and watching proceedings here tonight. Once again thank you to everybody and thank you.

Hon. Mr. Hagel: — Mr. Chair, I move that the committee report progress on Sask Water.

(20:45)

**General Revenue Fund
Economic and Co-operative Development
Saskatchewan Opportunities Corporation
Vote 45**

Subvote (EC09)

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

Hon. Mr. Sonntag: — Thank you, Mr. Chair. Seated to my left is Doug Tastad, vice-president of the research parks division. To my right is Vern Rourke, director of investments; directly behind me is Charlene Callander, corporate controller; and behind me and to my right is Moses Kanhai, director of corporate affairs.

Mr. Wakefield: — Thank you, Mr. Chair of Committees, and welcome to your officials, Mr. Minister.

I want to address some of the issues and questions that have come up with regards to the Saskatchewan Opportunities Corporation. I think there's a lot of activity that's been going on in that area.

And I would like to first of all, Mr. Minister, ask if you would give me just a brief overview as to what the role of the SOCO (Saskatchewan Opportunities Corporation) is in your view and what it's overall objective and mandate is.

Hon. Mr. Sonntag: — I think I could to the member probably just read directly from our corporate overview and it is as following:

Saskatchewan Opportunities Corporation's mandate is to facilitate economic growth in Saskatchewan through investment in viable businesses and infrastructure that supports the development of business.

The corporation makes loan and equity investments in export-oriented and import-replacement businesses and those that result in manufacturing and value-added processing in Saskatchewan. (The Saskatchewan Opportunities Corporation) syndicates its investments with other investment agencies wherever possible. It also develops and operates research parks.

Mr. Wakefield: — Thank you, Mr. Minister. I noticed that from the budget, and I'm looking at page 37, vote 45 of the Economic Development where it says summary of expenditures under the heading Saskatchewan Opportunities Corporation, that the level of budgetary expense for this line has increased quite substantively. My calculation is about 4 per cent.

When I look back a year earlier, I noticed that it has increased rather substantively over that. It's something like about 31 per cent in two years. Can you give me an idea of why there is such an increase in expenditure in that particular line?

Hon. Mr. Sonntag: — It has to do with the operation of the research parks. And in this particular case, just because of the timing of the year, this growth would be particularly associated with the Regina Research Park.

Mr. Wakefield: — Mr. Minister, in order to increase the expenditure in the budget items that much, I'd looked back to see what the overall disbursements were, the loans, the borrowing requirements for Crown corporations. And I guess I'm looking at page no. 16, schedule for borrowing requirements. And again I noticed that the borrowing requirements have made a very large jump, almost 70 per cent. There is not only a line item budget increase, but also an indebtedness for SOCO. Can you explain that, please?

Hon. Mr. Sonntag: — The borrowing requirements are as a result of substantial building . . . new buildings in both research parks, both Saskatoon and Regina. And as a result of more activity, of course there's increased operating expenses, which I was referring to in the last answer.

Mr. Wakefield: — Thank you, Mr. Minister. The increase in activity, does that mean the programmed activity or is it investment in capital assets like the Research Park? I know there's been an expansion of the Research Park and I can see some real value for the Research Park. For instance, Innovation Place in Saskatoon is returning considerable dollars on investment there. I assume that the Research Park here in Regina may do that.

I do notice that in Regina though there is a vacancy rate that's still pretty high and trying to find occupancy for those buildings while other buildings in Regina, in real estate competition terms, are remaining empty. So I'm kind of interested to see if the indebtedness that you're incurring under that line is all asset orientated or is it an expanding program of equity and loan function?

Hon. Mr. Sonntag: — Sorry for taking so long to get your answer for you here but first of all with respect, I want to address the vacancy rate. Here in Regina the vacancy rate actually might be less than you think it is. The vacancy rate right now is less than 10 per cent, with over half of that space already committed. So it's . . . Well obviously we'd like to see 100 per cent vacancy . . . or I should say occupancy. The vacancy rate is fairly low.

The question around the total capital expenditure, 29 million of that is for capital construction in . . . approximately 29 I should say is for buildings. The other 8 to 10 approximately is in investments.

Mr. Wakefield: — Thank you, Mr. Minister. Would I be correct in saying that not only is there a line item increase in the budget but also an indebtedness for the Saskatchewan Opportunities Corporation in order to fulfill their mandate of loans and equity? I'm wondering if in fact the taxpayers of Saskatchewan are incurring a debt through SOCO for equity positions in companies that you are supporting?

Hon. Mr. Sonntag: — I guess I would frame it up a little bit differently than what the member did. But I mean we are borrowing money and we are investing in equity positions in businesses to hopefully do what I described earlier in the corporation's mandate, that is, to stimulate business here in Saskatchewan and hopefully grow our economy a bit and get new businesses up and running and started here in our province. So to some degree I guess I would characterize it just a little bit different than the member has.

Mr. Wakefield: — Thank you, Mr. Minister. I think we are probably going in the same direction, maybe just a little different focus on the wording of it. If Saskatchewan Opportunities has to borrow that kind of money, where does SOCO borrow its money from? Is it from some other part of the Saskatchewan government or is it outside borrowing?

Hon. Mr. Sonntag: — To the member, we get an allocation and we actually . . . I guess it would be described as an allocation, but it's from the General Revenue Fund from my friend the Minister of Finance but we pay an interest rate of course on that money as well.

Mr. Wakefield: — Thank you, Mr. Minister. I notice in another line item on page 40 of the budget, under Saskatchewan Opportunities Corporation there's a line item called investment loss contribution. Is there a fund building up with regards to anticipated problems with loans? If there is, how large is this loan and how is it utilized?

Hon. Mr. Sonntag: — I'm not sure I'm answering your question correctly but it is a loan loss provision and I don't know if that, if that clarifies what you were asking. If not, please just ask the question again.

Mr. Wakefield: — No, I understood that it was a loan loss provision and I noticed that each year there is about \$2 million set aside for that and I wondered if, is that built up into an accumulated fund? Or does that revert back to the general revenue if it's not used?

(21:00)

Hon. Mr. Sonntag: — Yes it is an accumulated fund. And I guess logically as well in any loan that you might have anticipated a loss and that you would collect revenue on, that it will also decrease as well if you collect on a loan that you thought you might collect funds on. But it is an accumulated fund.

Mr. Wakefield: — Thank you, Mr. Minister. Along that same line then, is there on the listing of the current projects that SOCO supports, is there any of those projects that are in jeopardy? Is there any of these projects that you anticipate will require provision out of that accumulated loan loss account?

Hon. Mr. Sonntag: — For reasons of confidentiality I can't give the member a specific answer about specific investments or specific loans. But I would refer back to Saskatchewan Opportunities Corporation's mandate which is involved in lending I would say at probably higher risk to start businesses up, new businesses up here in Saskatchewan, and clearly we will have — as a result of that — we will have higher risk that will cause us to set aside more allowances, as I described them. But I can't provide the details as a result of confidentiality with investments that we've made with the private sector here in Saskatchewan.

Mr. Wakefield: — Thank you, Mr. Minister. When I look through the list I see that there's still projects on the list here that have been listed and I'm reading the list of projects up to November 30, 2000, which would be just last fall. I noticed several on here that I'm wondering why they're still there. For example, Provincial Forest Products Ltd. from Prince Albert is a company that was in bankruptcy, and I think they've had a dispersal sale. I looked at other ones. For instance, Shuttlecraft International that has . . . more than a year ago has ceased operation in Saskatchewan. And I don't see any follow-up unless I haven't found that information yet.

Hon. Mr. Sonntag: — The reason that they're still on the books, to the member, is that the first one he referred to is still in bankruptcy and it's not been concluded yet. And I'm not sure, but I guess with Shuttlecraft similar circumstances would exist although technically not bankruptcy, I guess. There still is issues that where the books have not been closed on them so that's why we keep them listed there for the public of Saskatchewan.

Mr. Wakefield: — Okay. Thank you, Mr. Minister. Could you tell me then if the loan . . . And what I see in this report, for Provincial Forest Products there's a loan of \$400,000; for Shuttlecraft a loan of 1,250,000. Are those loans in jeopardy then?

Hon. Mr. Sonntag: — It would be our view that appropriate reserves were set aside when the loans and/or investments were set up. Once the book is closed, if you will, we'll provide the final details for the public.

To some degree, as a result of confidentiality I'm not allowed to . . . I'm not permitted to give you specific details. But we are of the view — in trying to answer the question as fully as I can — we are of the view that appropriate reserves were set aside and once the book has been closed, we will provide all of the details in our annual reports with the exact detail.

Mr. Wakefield: — Thank you, Mr. Minister. I assume those . . . the money set aside in the eventuality of a loss would come out of that accumulated fund that we were talking about earlier. I notice a nod. I assume that that is a correct response, a correct assumption on my part.

Hon. Mr. Sonntag: — You are correct in that assumption.

Mr. Wakefield: — I guess I'm wondering, Mr. Minister . . . And I know that one of the roles of SOCO, Saskatchewan Opportunities Corporation, is to try to assist these corporations and companies just starting up in getting a start, and I think

there's a lot of success stories here.

Now if I was going to assume that in order for you to lend a million or \$2 million and so on, that there's been a lot of due diligence done.

The one that comes to mind — and I was conferring with my colleague from Redberry Lake — there's one at Biggar for instance that I noticed was resolved, and that was called Microgro International Research Inc. Although it's not a large amount of money — \$100,000 compared to some of the others — that particular company has gone bankrupt and has now been changed.

And I see SOCO has put that under resolved accounts, but then again lent it money under a different name called Microgro Farm Limited and lent it now a quarter of a million dollars. And I just understand that that went into receivership, something to do about the same time as SPUDCO (Saskatchewan Potato Utility Development Company), and it is now something called Milner Greenhouse. I assume that that money has been lost in the bankruptcy. Would that be correct?

Hon. Mr. Sonntag: — Sorry I wanted to be clear before I answered the question for you. The first company — to refer to Microgro — they paid back their loans fully and completely, sold their business to a second company with a similar name.

I'm understanding . . . we believe . . . By the way I did forget to say at the very beginning that we don't have with us our president and one or two other officials who would be more knowledgeable in answering some of your questions. So I apologize for that.

It was sold to a second company, Microgro, in 1999, I believe that is probably what it was referred to although please don't hold me to that exactly. And we are now . . . that company failed and that is being wound up.

The maximum exposure is I think as you have correctly identified \$100,000, although we don't know yet until it's completely wound up what the losses might be. We would obviously believe they will be somewhat less than that because there will be some assets I believe probably to recover.

Mr. Wakefield: — Okay, thank you, Mr. Minister. I just have a couple more questions. One of them is . . . kind of strikes close to home. There's a \$2 million loan to Bellator Explorations from Calgary with the idea of an increased production capacity in my home area, in the Lloydminster area.

But my question would be because there's a lot of companies operating in the Lloydminster area, several of them if not all of them are headquartered out of Calgary, why was Bellator selected as the recipient of a \$2 million loan from SOCO?

Hon. Mr. Sonntag: — The company that the member refers to, Bellator, approached the Saskatchewan Opportunities Corporation. We did the due diligence and made the investment or the loan, if you will.

The question I think that the member asks is why we would do that with a company in Calgary? It's because they conduct their

activity in the province of Saskatchewan, and that's the mandate of the Opportunities Corporation is to create jobs here in Saskatchewan. And I think the member knows they are a successful company.

Mr. Wakefield: — Thank you, Mr. Minister. If in fact Bellator was the one that applied, or was it the one that came first, or was it the only one that applied to SOCO? There's lots of companies doing a lot of good work there in Lloydminster in exploration. I just wondered why you would pick the one company.

(21:15)

Hon. Mr. Sonntag: — I'm advised that the only reason that we dealt with this company specifically is because, first of all as I described, they applied to the corporation. We have been in discussion with other companies in the area, but have simply not been able to put together a deal. They may have found financing that they found more appealing somewhere else or situations like that.

We'd be always open to any company in your area that's interested in creating jobs in Saskatchewan and we'd be happy to sit down and try to make a deal with them as well.

Mr. Wakefield: — Thank you, Mr. Minister. I'll give them your phone number because there's probably quite a few.

Mr. Minister, I only have one small question and before I ask that I wanted to thank your officials for coming.

My question is that the SOCO estimates last time that we were doing this was under the direction or the administration of the Minister of Economic and Co-operative Development. I wondered why it has been under your direction this time?

Hon. Mr. Sonntag: — I guess the short answer is that it's the Premier's prerogative about who's in charge of the corporation. And that really is the correct answer as well.

While I'm on my feet as well, I want to thank the member for the good questions that he's asked; and take the opportunity to thank my officials who I know are feeling a little uncomfortable before they came in here because they were believing that someone else would be providing the advice to me and believing we'd be here probably on a different night. So thank you very much to them as well.

The Chair: — We are dealing with Saskatchewan Opportunities Corporation subvote (EC09). In order to vote this off, we need leave to move to (EC09).

Leave granted.

Subvote (EC09) agreed to.

**General Revenue Fund
Lending and Investing Activities
Saskatchewan Opportunities Corporation
Vote 154**

Subvote (SO01) — Statutory.

**General Revenue Fund
Economic and Co-operative Development
Vote 45**

Subvote (EC01)

The Chair: — Before we begin, I'll invite the minister to introduce his officials.

Hon. Mr. Lautermilch: — Thank you, Mr. Chair. To my right is Larry Spannier, the deputy minister of the department; to his right is Doreen Yurkoski, director of administrative and financial services. To my right is Debbie Wilkie, executive director of marketing and corporate affairs. Behind Debbie is Bryon Burnett, the assistant deputy minister of community and economic and business development. Immediately behind me is Jim Marshall, assistant deputy minister of policy; and to his right is Robert Hersche, the executive director of information and technology office.

Mr. Wakefield: — Thank you, Mr. Chair of Committees. And Mr. Minister, I would like to welcome your officials here tonight.

I don't have a great number of questions. As you know we've covered quite a few of the basic questions over the last while. There may be just one or two questions that I would like to refer back to before we get into some of the items that I want to talk to regarding Saskatchewan Government Growth Funds and so on.

The one question that I didn't get around to before to ask was something about the office that you have or your department has in Ottawa. And I would like to ask you the role of that office and how much that office is expensed into the budget of Economic and Co-operative Development, please?

Hon. Mr. Lautermilch: — Thank you. Mr. Chairman, while my officials are looking up some information with respect to your question, I omitted to introduce some of the folks that are with me in the back row.

Roy Anderson, president and CEO (chief executive officer) of Tourism Saskatchewan; Tim Frass, director of finance and administration, Tourism Saskatchewan; John Treleaven, president and CEO of Saskatchewan Trade and Export Partnership. Gerry Adamson, vice-president of STEP (Saskatchewan Trade and Export Partnership Inc.) and Kathryn — I'm sorry — Buitenhuis, executive director of strategic management of Crown Investments Corporation. And I'm sorry, Kathryn, I will do better next time.

Okay, Mr. Chairman, the business development office in Ottawa focuses on increasing our share, our province's share, of the federal procurement market. We try to ensure effective representation of the policies, the views, and the positions of Saskatchewan as it relates to selected federal forums in providing intelligence regarding federal activities and priorities.

So really it's, I guess, an information flow to Ottawa to try and enhance our ability to do business with the federal government. Our budget is \$128,000.

Mr. Wakefield: — Thank you, Mr. Minister. I guess the Ottawa office is a . . . what would you call it, a lobby office for information as well as trying to solicit any kind of business or support here into the province. How many people, Mr. Minister, are employed in that office in Ottawa?

Hon. Mr. Lautermilch: — I am told by the officials there are two contract employees. And I guess as opposed to lobbyists, they attempt to interface with the federal administration. They have some understanding of how their system operates and know some of the folks there that can enhance the ability for us to forward the Saskatchewan economy.

Mr. Wakefield: — Okay, thank you, Mr. Minister. I wanted to go now if I could to the program known as Saskatchewan Government Growth Funds. Over the years there has been quite a change in how these funds were solicited, how they were administered, and recently just a year ago, there's been a very large change.

But maybe just for the record could you summarize what the intent of the Saskatchewan Government Growth Funds were for, why were they set up, and what was their shortcoming resulting in the changes that have happened in the last couple of years, last year in particular?

Hon. Mr. Lautermilch: — Thank you, Mr. Chairman. The SGGF (Saskatchewan Government Growth Fund) was established in 1989, and as you will probably know, the purpose was creating and managing fund companies that had been accepted as government-administrated venture capital funds under the federal government's Immigrant Investor Program. Under this there are eight fund companies that represent about 155 million in capital.

The province decided to opt out of the participation in the revised federal IIP (Immigrant Investor Program). The source for new replacement capital that had to be managed by the management corporation disappeared, so the restructuring was as a result of opting out of the federal program.

Mr. Wakefield: — Thank you, Mr. Minister. I know there was a sizable amount of money that was solicited from immigrant investors to be directed to different functions and ventures or investments here in Saskatchewan.

What is the operating structure of what — maybe it's certainly changed now — but what was the operating structure of the growth funds? The private individuals were contracted to solicit these funds. They in turn then administered these funds for a fee. Is that correct? Could you explain how these operated if I don't have the correct idea?

Hon. Mr. Lautermilch: — Thank you. Yes we have made a contract to manage the investment of these funds from a private investment management firm. The management services agreement was negotiated with Crown Life through Crown Capital Partners Inc. In addition to managing the assets of the SGGF, they will focus on expanding its client base and attracting, just sort of as a mandate, new institutional capital to Saskatchewan to provide for more opportunities for Saskatchewan businesses.

Mr. Wakefield: — Mr. Minister, are there any Saskatchewan Government Growth Funds still active or have they all been converted over to the management of capital Crown partners?

Hon. Mr. Lautermilch: — There were initially eight funds and seven of those are still active, Mr. Chairman.

Mr. Wakefield: — Mr. Minister, can you tell us what led up to the administration of some of these funds now under Crown Capital Partners? There was an announcement just a year ago by your predecessor, or about a year ago or so, in that these funds are now being administered under a different administrator or they are now under Crown Capital Partners.

Could you tell me what led up to that and why the change was seen to be necessary?

Hon. Mr. Lautermilch: — Well as the funds had changed and there will be some changes and ultimately these funds will come to maturity, the diminishing capital base couldn't sustain the costs that were concurred in, in terms of operating them as it was. And so it was felt that to make a contract with a private management service would make more sense. So really it's a cost of administration as the nature of funds change and as the capital base was known to contract and would be contracting as the funds matured and wound down.

(21:30)

Mr. Wakefield: — Thank you, Mr. Minister. The private administrators, that first of all obtained the funds and then were administering these funds under the Saskatchewan Government Growth Fund's formula, are they now out of the picture or are they still receiving administration funds now that the administration of these funds is turned over to Crown Capital Partners.

Hon. Mr. Lautermilch: — Really there's no change from the initial management service agreement. The agreement that was signed is what they're operating under now.

Mr. Wakefield: — Mr. Minister, it's my understanding that the Crown Capital Partners purchased the Saskatchewan Government Growth Fund's management corporation. I understand that that was the management corporation that received a fairly substantive administrative fee. My information shows that it's about \$2.5 million a year. Is that now, that 2.5 million, is that now being directed to Crown Capital Partners instead of Saskatchewan Government Growth Fund management corporation?

Hon. Mr. Lautermilch: — Right, I'm told that the cost of administration before it was transferred to the private management companies was around two and a half million dollars. That was the initial concept and that was the initial agreement when the management contract was signed. As the fund diminishes, that will diminish proportionately as well. So if initially there was \$150 million, if it decreased or declined to \$100 million, that percentage decreased and a formula was factored in to account for the decrease and how much money was being managed.

Mr. Wakefield: — Thank you, Mr. Minister. Is that in addition

then to the private administrators that were in place administering these funds up to this point?

Hon. Mr. Lautermilch: — Mr. Chairman, the assets of the subcontractor were transferred along with that, so that's part of this.

Mr. Wakefield: — Mr. Minister, there was an agreement earlier on, I believe, with Saskatchewan Government Growth Funds that any profit that was being generated would be turned over to charities. What happened . . . then the 20 million . . . I think there was about \$20 million in profit, if I remember reading the information correctly. That profit was then changed to be reinvested. What happened to that \$20 million when there was the transition to Crown Capital Partners?

Hon. Mr. Lautermilch: — Yes, there was a bit of a transition initially. The profits were earmarked for charities. Over a period of time, it was determined that that may not be the most appropriate way for those profits to be used. There had been developed other sources of funding for those kind of initiatives through the GRF (General Revenue Fund) and through other funds. So it was determined that it would be reinvested.

And ultimately what will be done with it is to have it transferred to the General Revenue Fund and, through the General Revenue Fund, for health research. It's one of the growing areas, and certainly it's one of the pressures in terms of expanding and growing our economy. And I know you and your colleagues have spoken of that on a number of occasions during this session. So ultimately the profits of this will be transferred for health research as they become available.

Mr. Wakefield: — Thank you, Mr. Minister. Right, anything that can go toward health is probably an advantage to people in this province. Is Crown Capital Partners . . . are they administering that part of the fund as well?

Hon. Mr. Lautermilch: — They will be managed by the management company until they're transferred to the General Revenue Fund, at which point they'll be probably under health research.

Mr. Wakefield: — Mr. Minister, there's always been a question that is asked in the investment community, why was Crown Capital Partners selected as the company that would administer in this new arrangement? Were other investment companies solicited for their bid on trying to do this? Can you help me there with why there was just Crown Capital Partners?

Hon. Mr. Lautermilch: — I would want to say that there were a number of other companies that were looked at at the time and an analysis was done in terms of their operations and how they would fit in with the Saskatchewan Government Growth Fund and the goals and the objectives and strategies of the growth fund.

But as well Crown Life was chosen because it committed another 60 million in investment within the Western provinces and potentially with the . . . (inaudible) . . . within the Western provinces and potentially in the United States.

So it was felt overall, in terms of the strength of

Saskatchewan's economy retaining employment opportunities here for Saskatchewan people, that this would be the appropriate company to have as the management company.

Mr. Wakefield: — Thank you, Mr. Minister. I've read in the paper some comments from the industry and I think with the response from the previous minister, but one of the observations in the newspaper at least that I read was there was a . . . they were unsure if other companies had been asked to bid on this, if there was review of any other companies.

Is there a listing that you're able to share with us of other companies that were solicited at the time?

Hon. Mr. Lautermilch: — Mr. Chairman, there were three other companies that were part of this analysis when this decision was made. Rather than to trot the names through the legislature, I would just as soon — if you'd be agreeable — to send you a list of the three companies, the three other companies who were involved in this process.

Mr. Wakefield: — No, that's fine, Mr. Minister. I think that would be appropriate.

Another item that I noticed in reviewing this particular file was that Mr. Gary Benson was the president of Saskatchewan Government Growth Funds, and he was — I assume, at least from what I read in the paper — he was also doing the selection and negotiation with Crown Capital Partners at which time he also became a senior official of Crown Capital Partners, responsible for government growth funds of which he was president. It just seems like that is a conflict of interest from what I read. Is that correct? Is Mr. Gary Benson, is he still the president of Saskatchewan Government Growth Funds and a senior officer with Crown Capital Partners?

Hon. Mr. Lautermilch: — Thank you, Mr. Chairman. The individual you speak of had actually very little to do with the negotiations or with the agreement, and it was done . . . the management agreement was negotiated by employees of Crown Investments Corporation. There was legal counsel, independent. There was analysis of the whole agreement. It was independent of the individual you speak of.

Mr. Wakefield: — Thank you, Mr. Minister. Is he still occupying those two roles?

Hon. Mr. Lautermilch: — Mr. Chairman, he is president and as well an employee of Crown Investment Corp. No, of Crown Capital Corp., sorry.

Mr. Wakefield: — Thank you, Mr. Minister. I was sure that you meant Crown Capital Partners, I think is the name.

Something tells me that that is a conflict of interest when the administration of the Saskatchewan Government Growth Funds of which the president . . . or the president of which is also a senior officer in charge of administering that growth fund. That just seems a little awkward to me, and I think in terms of the investment industry that is perceived that way as well.

One of the other things I noticed, Mr. Minister, when I was reading the press releases from that transition was that there

was a question as to the liability of Saskatchewan Government Growth Funds. Was that also the liability of a default? Was that transferred also to Crown Capital Partners or are they just a beneficiary of approximately \$2.5 million in administration fee?

(21:45)

Hon. Mr. Lautermilch: — Mr. Chairman, the liability was transferred along with the transfer of the funds.

The province of Saskatchewan has no liabilities here. You know it's also important to understand these are not Saskatchewan taxpayers' dollars; these are immigrant investor funds. They're being managed under a federal program initially; that program changed. We weren't satisfied with the new program. We then set up a new management. We've now moved into a private management arrangement that will diminish as the funds decrease.

With respect to the management of the operation I can tell you that there are some very capable people who are working with the president of the fund companies.

Mr. Wakefield: — Thank you, Mr. Minister. One of the funds that comes to mind and I just saw a review of this recently and that's the investment, investors' — immigrant investors' — money invested in Lateral Vector Resources. It now I think it is in a receivership situation, if I'm not mistaken. Is that correct?

Hon. Mr. Lautermilch: — I think that's correct.

Mr. Wakefield: — The president of Lateral Vector, in a press release statement back in January, let's see, made the remarks that the company has no debt aside from several hundred thousand dollars owed to insiders. No outstanding bills to pay.

I'm wondering if there's any liability involved or is it just the immigrant investors that have completely lost their money?

And I know that they were involved in both the Ukraine and in China and I think both of those projects failed for them. Is there any other liability involved or is it just the investors that lost the money?

Hon. Mr. Lautermilch: — You know the nature of the immigrant investors funds are that foreign investment comes to the fund; there's no public funds. It's all administered with the funds that come as a result of that investment. It was unfortunate that Lateral Vector was not able to succeed. They did owe one of the funds some capital but fortunately none of it was Saskatchewan taxpayers' dollars.

I guess it's fair to say not every business will succeed. There are some ventures that are more risky than others. Lateral Vector was involved in doing business offshore, and sometimes there are some incremental risks. Part of the immigrant investor fund portfolio is pretty varied. I think it's fair to say that the funds have had some successes, and they will have some failures as with any business venture.

Mr. Wakefield: — Thank you, Mr. Minister. Yes, I'm sure that that's correct. The signals that it sends unfortunately is not always the best signal. But I think the fund was set up in such

way that it was strictly the investors. The president, if I could, is quoted here in the paper as saying:

Mr. Goranson admits that he made mistakes but said there was no impropriety on his part. "I'm absolutely comfortable with the things that we've done. Have I made mistakes, absolutely. In hindsight we could have done things differently. Yes."

I guess that's really the admission that a president of a company has to take. Unfortunately, the signals again are rather awkward for further investment.

Mr. Minister, the Saskatchewan Government Growth Fund is ongoing as you say, and I'm not sure that you told me or anticipated how many more years it has to play out. Would you be able to tell me that?

Hon. Mr. Lautermilch: — Mr. Chairman, in the annual report you will see the position of each one of the seven remaining funds. The last one will mature in ten years.

Mr. Wakefield: — Thank you, Mr. Minister. Maybe just my last question will be again with Saskatchewan Government Growth Funds. That would be the arrangement that was made with Crown Capital Partners because it was really dealing with investors' money, but there's also taxpayers' money involved here. Will the details of that particular transition to the Crown Capital Partners . . . will the details of that deal be made public at any time?

Hon. Mr. Lautermilch: — Mr. Chairman, I don't think I understand the nature of the member's question with respect to the Saskatchewan Government Growth Fund. There are no public funds at risk.

Mr. Wakefield: — Thank you, Mr. Minister. The profits from the government growth funds are in fact taxpayers' money. Is that not correct?

Hon. Mr. Lautermilch: — I guess we can split hairs as to whether they're the profits from investors' investment is taxpayers' money. I would suggest that it would be better referred to as being profits from investments that others have made under the immigrant investors fund, and I think that's probably a more realistic way to approach it.

Now if you're asking if there's money being wasted on the management fees — and I think that's what you're trying to get at in sort of the polite manner that you use; that is your nature and I understand that — but I think maybe I can, if you would like, read into the record the highlights of the agreement. That might in some way help you to be more comfortable with the terms of the agreement and to ensure you that they are being responsible and have to be responsible for those funds.

We have a commitment to the people who invested under that program — we as a province; we as a country. And I understand that. But I want to make the point as well with respect to the portfolio of companies and the different loans and the different investments it will make. Surely you must agree with me that although there will be some unfortunate failures, there will also be some successes. That's the nature of an

investment portfolio. And for an investment portfolio to be successful, you need to have more successes than failures.

But with respect to image and the image that's portrayed by one company failing — you see I think that's part of the difficulty with the attitude that members on that side of the House take — you will trot out one failure out of perhaps 20 or 30 successes, but that becomes the mantra. And I think that's rather unfortunate.

But what I will do is send over a copy of the highlights of the management agreement that took effect on October 1 of 2000, and hopefully that will satisfy your concern that the arrangements made with this private management company in competition with other companies who were vying for the position will be . . . that perhaps the right decision was made and that there will be some good, positive jobs here in Saskatchewan.

Mr. Wakefield: — Mr. Minister, I certainly can't quarrel with the objective of getting jobs into Saskatchewan. I can't quarrel with investments coming into Saskatchewan. I would take exception to your reference that we're only looking at the negative sides.

When you're dealing with investors' money, we're talking about confidence. And when you say that some are good, some are bad, I don't think that's quite good enough. I think you have to assume that every one is a special fund, and you give it your very best effort. And just because it fails, you can't just throw up your hands and say, well we won some and lost some.

Mr. Minister, I don't have any further questions at this time. I wanted to thank you and your officials for being here to answer these questions on a very complicated part of your portfolio, the Saskatchewan Government Growth Funds.

Hon. Mr. Lautermilch: — Mr. Chairman, before we continue I'd like to table a copy of the highlights of the management agreement. And I'll just read in a couple of key points: delivery of management services, competitive commercial terms based on funds under management, incorporated standards and guidelines for ongoing performance monitoring, evaluation, control, approvals, and decision making. These are just a couple of highlights of what is expected of this management company under the agreement.

Subvote (EC01) agreed to.

Subvotes (EC02), (EC05), (EC07), (EC06), (EC13), (EC12), (EC04), (EC11) agreed to.

The division bells rang from 21:58 until 22:08.

The Chair: — The question before the committee is the motion:

Resolved that there be granted to Her Majesty for the twelve months ending March 31, 2002, the following sums for Economic and Co-operative Development for the amount of \$67,896,000.

Motion negated on the following recorded division.

Yeas — 22

| | | |
|-------------|-----------|--------------|
| Lautermilch | Hagel | Cline |
| Sonntag | Goulet | Van Mulligen |
| MacKinnon | Wartman | Thomson |
| Prebble | Crofford | Axworthy |
| Nilson | Junor | Harper |
| Jones | Kasperski | Trew |
| Osika | Lorjé | Yates |
| McCall | | |

Nays — 23

| | | |
|-----------|-------------|--------------|
| Hagel | Lautermilch | Cline |
| Sonntag | Goulet | Van Mulligen |
| MacKinnon | Wartman | Thomson |
| Prebble | Belanger | Crofford |
| Axworthy | Nilson | Junor |
| Harper | Jones | Kasperski |
| Trew | Osika | Lorjé |
| Yates | McCall | |

Nays — 26

| | | |
|-------------|-------------|---------|
| Hermanson | Heppner | Julé |
| Krawetz | Draude | Boyd |
| Gantefoer | Toth | Stewart |
| Eagles | Wall | Bakken |
| McMorris | D'Autremont | Weekes |
| Bjornerud | Kwiatkowski | Brkich |
| Harpauer | Wakefield | Wiberg |
| Hart | Allchurch | Peters |
| Huyghebaert | Hillson | |

The committee reported progress.

Hon. Mr. Lautermilch: — Mr. Speaker, I'd like to draw attention to the clock.

The Speaker: — Members of the Assembly, it now being past the hour of 10:30, this House stands adjourned until tomorrow at 1:30 p.m.

The Assembly adjourned at 22:31.

**Supplementary Estimates 2000-01
General Revenue Fund
Economic and Co-operative Development
Vote 45**

The Chair: — Subvote (EC07) and subvote (EC09), is that agreed? Why is the member on his feet?

Mr. Wakefield: — Asking the purpose of this vote? I'm not sure what it is.

The Chair: — It is the next item of business in the Estimates book, Saskatchewan Supplementary Estimates on page 3, and it's vote 45, Economic and Co-operative Development.

Mr. D'Autremont: — Thank you, Mr. Chairman. I believe it now would be appropriate to rise and report progress and ask for leave to sit again.

The Chair: — Is the member moving that? Would the member please rise and . . .

Mr. D'Autremont: — Mr. Chairman, I move that we rise, report progress and ask for leave to sit again.

The division bells rang from 22:12 until 22:22.

Motion agreed to on the following recorded division.

Yeas — 26

| | | |
|-------------|-------------|---------|
| Hermanson | Heppner | Julé |
| Krawetz | Draude | Boyd |
| Gantefoer | Toth | Stewart |
| Eagles | Wall | Bakken |
| McMorris | D'Autremont | Weekes |
| Bjornerud | Kwiatkowski | Brkich |
| Harpauer | Wakefield | Wiberg |
| Hart | Allchurch | Peters |
| Huyghebaert | Hillson | |