

The Assembly met at 13:30.

Clerk: — It is my duty to advise the House that Mr. Speaker will not be present to open today's sitting.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Kwiatkowski: — Thank you, Mr. Deputy Speaker. I rise to present a petition on behalf of residents of Saskatchewan still concerned about the government's intentions with respect to long-term care fees. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

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

This petition is signed by residents of Mistatim, Prairie River, Hudson Bay, and Tisdale.

I so present, Mr. Deputy Speaker.

Ms. Julé: — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, I too rise today to present a petition on behalf of citizens of Saskatchewan who would like to see all 49 recommendations of the committee's report dealing with the child sex trade implemented by government. And the prayer reads as follows, Mr. Deputy Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately implement all 49 recommendations of the final report as submitted by the Special Committee to Prevent the Abuse and Exploitation of Children Through the Sex Trade.

And the signators on this petition are from the communities of Wadena, Kuroki, Lintlaw, and Rama.

I so present.

Mr. Hermanson: — Thank you, Mr. Speaker. I have a petition signed by citizens of the province of Saskatchewan concerning a halting of crop insurance premium hikes and coverage reductions. Mr. Speaker, the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to halt its plan to take money out of the crop insurance program and hike farmers' crop insurance premium rates while reducing coverage in order to pay off the provincial government's debt to the federal government.

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

Mr. Speaker, the signatures to this petition are from Eston and

Rosetown, and I'm pleased to present the petition on their behalf.

Ms. Draude: — Thank you, Mr. Deputy Speaker. I have a petition to present today on behalf of people who are concerned about the cost of drugs.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reinstate a reasonable annual deductible amount for prescription drugs in Saskatchewan.

The people that have signed this petition are from Margo.

Mr. Gantefoer: — Mr. Speaker, I rise this afternoon on behalf of citizens in my constituency who continue to be concerned about long-term care rates. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

Signatures on this petition, Mr. Speaker, are all from my home community of Melfort and I'm proud to present on their behalf.

Mr. Bjornerud: — Thank you, Mr. Deputy Speaker. I have a petition to do with the net fishing at the Lake of the Prairies. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to work with the federal government, First Nations representatives, and with other provincial governments to bring about a resolution in the Lake of the Prairies situation and to ensure that our natural resources as a whole are used in a responsible manner by all people in the future.

The signatures, Mr. Deputy Speaker, are from the community of Esterhazy.

Mr. Stewart: — Thank you, Mr. Deputy Speaker. I rise to present a petition signed by citizens concerned with proposed fee increases for long-term care services. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

Mr. Speaker, this petition is signed by individuals from the community of Margo.

I so present.

Ms. Eagles: — Thank you, Mr. Deputy Speaker. I too have a petition to present on behalf of citizens concerned with the long-term care fees. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for

long-term care services in Saskatchewan.

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

And this is signed by citizens of Estevan, Saskatoon, and Regina.

I so present. Thank you.

Ms. Bakken: — Thank you, Mr. Deputy Speaker. I have a petition to present on behalf of the citizens of Saskatchewan who are concerned about the tobacco legislation. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately amend tobacco legislation that would make it illegal for anyone under the age of 18 to be in possession of any tobacco products; and furthermore, anyone found guilty of such an offence would be subject to a fine of not more than \$100.

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

And the petition is signed by residents of Griffin, Weyburn, Midale, and Pangman.

I so present.

Mr. Wall: — Thank you, Mr. Deputy Speaker. I also rise on behalf of citizens concerned about the state of tobacco control legislation in the province of Saskatchewan. And the prayer of their petition reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately amend tobacco legislation that would make it illegal for anyone under the age of 18 to be in possession of any tobacco products.

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

Mr. Deputy Speaker, the petitioners today are from the communities of Delisle, Kincaid, Gull Lake, and the cities of Swift Current and Saskatoon.

I so present.

Mr. Wiberg: — Thank you, Mr. Deputy Speaker. This afternoon I have a petition in regards to citizens who are concerned about the changes to the deductible amount of prescription drugs so that the government can ease its pressures on its deficit budget. And the prayer reads as follows, Mr. Deputy Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reinstate a reasonable annual deductible amount for prescription drugs in Saskatchewan.

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

Mr. Deputy Speaker, this petition is signed by people from

Prince Albert, rural Prince Albert, and Tisdale.

I so present.

Mr. Weekes: — Thank you, Mr. Deputy Speaker. I also have a petition to present from residents who are concerned about long-term care home fees. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

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

Signed by the good citizens of Yorkton and area. Thank you.

I so present.

Ms. Harpauer: — Mr. Deputy Speaker, I have a petition today with citizens concerned about the deplorable state of Highway No. 15. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to use a portion of its highway budget to address the concerns of the serious conditions of Highway 15 for the Saskatchewan residents.

And the petitioners, Mr. Deputy Speaker, are from Holdfast, Imperial, Liberty, Penzance, and Etter's Beach. Thank you.

Mr. Hart: — Mr. Deputy Speaker, I too have a petition to present on behalf of constituents. It deals with the changes to the prescription drug plan. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reinstate a reasonable annual deductible amount for prescription drugs in Saskatchewan.

As in duty bound, your petitioners will ever pray.

Signatures to this petition, Mr. Deputy Speaker, come from the communities of Wynyard and Mozart.

I so present.

Mr. Allchurch: — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, I also rise in the Assembly today to bring forth a petition regarding citizens that are concerned with the Besnard Lake situation. And the petition reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to work with the federal government, First Nations representatives to bring about a resolution in the Besnard Lake situation and to ensure that the natural resources as a whole are used in a responsible manner by all people of the future.

And the signatures on this petition, Mr. Speaker, come from Candle Lake, Besnard Lake, Prince Albert, and La Ronge.

I so present.

Mr. Peters: — Thank you, Mr. Deputy Speaker. I have petitions signed by citizens of the province that are concerned about their long-term care homes and the petition reads as follows . . . the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

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

I so present.

Mr. Huyghebaert: — Thank you, Mr. Deputy Speaker. I rise again today with a petition from citizens who are concerned about the future cost of prescription drugs, and the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reinstate a reasonable annual deductible amount for prescription drugs in Saskatchewan.

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

And, Mr. Deputy Speaker, this petition is signed in total by the good folks of Meyronne.

I so present.

READING AND RECEIVING PETITIONS

Deputy Clerk: — According to order the following petitions have been reviewed and are hereby . . . and received as addendums to previously tabled petitions, being sessional paper nos. 7, 8, 11, 18, 23, 24, 31, and 59.

INTRODUCTION OF GUESTS

Mr. McCall: — Thank you, Mr. Deputy Speaker. It's my pleasure to introduce to you and through you to the members of this Assembly, 47 grade 5 and grade 8 students from Walker School, which is located in the fine riding of Regina Elphinstone.

They're here with their teachers, Cheryl Ball and John Stark, along with chaperones Alison Vancha and Danielle Switzer. Hopefully we'll have a longer chat than we did last year. I know it's certainly my intention.

And I'd also like to draw special attention to one Kyle Carson, who's a grade 8 student at Walker. I've known Kyle's family for many, many a year now. And I first met Kyle in . . . a couple of years ago.

Kyle's uncle Cameron is the volunteer site electrician for the Regina Folk Fest. And for the past two years Kyle and I have been carrying his uncle Cameron's tool box, and we've yet to electrocute anyone. So it's quite a record, Mr. Deputy

Speaker.

Anyway, please give them a warm welcome, and I look forward to meeting with you very soon. Welcome.

Hon. Members: Hear, hear!

Ms. Harpauer: — Thank you, Mr. Deputy Speaker. It's my honour today to introduce to you and through other members of the Assembly my niece, who is a U of S (University of Saskatchewan) student in Saskatoon, Ms. Ashley Metz.

Can you please join me in welcoming her here today.

Hon. Members: Hear, hear!

Hon. Mr. Cline: — Thank you, Mr. Speaker. I'd like to introduce to you and through you to all members of the Legislative Assembly some relatives of mine, Peter and Margaret Cline who farm at Zelma, Saskatchewan.

Peter ran for the Liberal Party on two occasions trying to get elected to this place, and I can say to the members, Mr. Speaker, I have since then developed a whole new appreciation for the Liberal Party. Welcome.

Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — Thank you, Mr. Deputy Speaker. I would also like to introduce some relatives of mine. Seated in the Speaker's gallery, Mr. Speaker, is my family with the most recent addition.

I want to tell colleagues that this is the extent of the family now. This is . . . all you see . . . what you see here is what you're going to get. I assure you of that.

Joining us today, Mr. Speaker, first of all, my wife, Virginia Wilkinson, and with her is my son, Mayson, and the most recent addition, Meika; and also is my mother-in-law, Nancy Wilkinson. Please join me in welcoming them to the Assembly today.

Hon. Members: Hear, hear!

Mr. Goulet: — Thank you, Mr. Deputy Speaker. I just noticed in the west gallery, Mr. Deputy Speaker, that a guest has come in, and he's actually from Cumberland House. His name is Earl Cook.

He's done . . . he's had an outstanding record in regards to education and northern development. He's worked in teaching in schools as well as working in NORTEP (Northern Teacher Education Program) teacher education program. He has worked in post-secondary education for many years, helping the linkage between training, education, and also employment. And he continues to do work in career development in government.

So I'd ask all members to please welcome Earl Cook to the legislature.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

National Nurses Week

Mr. Gantefoer: — Thank you, Mr. Deputy Speaker. I'm pleased to rise in the House today to ask all members to join with me in recognizing May 6 to 12 as National Nurses Week. Mr. Deputy Speaker, on behalf of all members in the House, we want to say a heartfelt thank you to the nurses that practise here in Saskatchewan.

We're truly grateful, Mr. Deputy Speaker, for the dedication and commitment these men and women bring to this time-honoured profession. We recognize the extreme important role they play in ensuring the quality of health care that's delivered 24 hours a day, 7 days a week. We also recognize, Mr. Deputy Speaker, the long hours that many of them work.

(13:45)

National Nursing Week is also an ideal time to also remind everyone that this profession is currently facing a serious shortage of workers — a shortage that the profession itself predicted would occur.

For years nurses have been saying that more training spaces must be opened up across the country. They warned that the health care system would suffer if this issue wasn't addressed quickly. Sadly, Mr. Deputy Speaker, we know now how accurate these words have proven to be.

Here in Saskatchewan, we know that there are simply not enough of these important health care professionals working in the health care system. Working conditions have changed little over the past few years and, as a result, we now hear of how many have left the jurisdiction and how many are working severe overtime hours.

Mr. Speaker, much more needs to be done to recruit and train these professionals, but today it's a pleasure to rise on behalf of everyone and thank them. Thank you.

Some Hon. Members: Hear, hear!

Women Entrepreneurs Week in Saskatchewan

Ms. Jones: — Thank you, Mr. Deputy Speaker. This is Women Entrepreneurs Week in Saskatchewan and across Canada. Today, more than 30 per cent of our province's entrepreneurs are women.

They are leading by example in every sector of our economy, providing positive role models for young women and men to follow. They are models in a province of opportunity for women who want to start their own business.

Just a few examples, Mr. Deputy Speaker.

Women like Deb Thorn, of Temple Gardens Mineral Spa, a woman who is credited with much of Moose Jaw's tourist boom; like Jane Fletcher of Jane's Skin Care and Day Spa, whose Regina business has grown significantly since she began in 1980; or LuAn Mitchell, Chair of Mitchell's Gourmet Foods

in Saskatoon, a woman recognized in today's *National Post* as one of the 50 most influential businesswomen in Canada.

Mr. Deputy Speaker, these and other women entrepreneurs employ 90,000 people in Saskatchewan.

The organization, Women Entrepreneurs of Saskatchewan, has played an important role in this remarkable growth. Since its inception it has lent over 4.6 million to women starting their own businesses and leveraged another 3.7 million — more good news for Saskatchewan.

Mr. Speaker, I know all members will join with me this week in celebrating the many accomplishments now and in the future of this province's talented, bright, and ambitious businesswomen. Thank you, Mr. Deputy Speaker.

Some Hon. Members: Hear, hear!

Speech and Hearing Awareness Month

Ms. Bakken: — Thank you, Mr. Speaker. Mr. Speaker, May is Speech and Hearing Awareness Month across Canada, a time when we recognize the hard-working men and women who identify and assist individuals with speech and hearing disorders.

Statistics show that 1 in 10 Canadians has a speech-language or hearing disorder. This disorder directly impacts on the ability to communicate, and we know how important the ability to communicate is in today's global economy.

Speech-language pathologists and audiologists identify and provide rehabilitation for individuals to prevent communication difficulties from occurring in school, on the job, and in many social situations. You'll find speech-language pathologists and audiologists hard at work in hospitals, rehabilitation centres, schools, and the private sector — all of them working to help improve the quality of life for people with communication disorders.

Mr. Speaker, all members recognize the important work being done by these professionals. We also know that there are simply not enough of them to go around, that more of them are urgently needed. And we know, Mr. Speaker, when it comes to speech and hearing disorders among young children and their families, early intervention is key to helping them identify and address those disorders.

During Speech and Hearing Month I ask all members of the House to recognize the important work being done by speech-language pathologists and audiologists across the province.

Some Hon. Members: Hear, hear!

**New President for Saskatchewan
Prairieland Park Corporation**

Mr. Forbes: — Thank you very much, Mr. Deputy Speaker.

Here's a good announcement to make on the first day of Women Entrepreneurs Week. Every year at the annual general

meeting of the Saskatchewan Prairieland Park Corporation, the board of directors is selected, and the board then chooses a president.

Last month at the annual general meeting, for the first time in its 118-year history, the board has selected a woman president. Sometimes it takes a while for a good thing to happen, and this is a good thing.

Lynn Evans is the 67th president of the SPPC (Saskatoon Prairieland Park Corporation). She has been volunteer for the corporation for 20 years, a member of the board for 7, vice-president for the last 2. She has earned her spurs. She has been on several SPPC committees and as is always the case for the volunteers, she's very active in other community activities, including the CNIB (Canadian National Institute for the Blind) Companion program, the city's Advisory Committee on Animal Control, 4-H, and other organizations.

In her other life, Lynn is executive secretary for the SPI Marketing Group, and with her husband operates a mixed farm in the Dundurn area.

So on behalf of all members, I offer my congratulations to this truly outstanding woman business-person.

Thank you, Mr. Speaker.

Saskatoon Pays Tribute to New York Emergency Responders

Ms. Julé: — . . . Deputy Speaker. Mr. Deputy Speaker, last Friday, May 3, I was very pleased to attend the Rotary Club of Saskatoon's 2002 Badge and Shield Recognition Dinner, held at the Centennial Auditorium.

The proceeds from this annual dinner go to the Rotary community youth projects. Each year's awards are presented to men and women in Saskatoon police and fire service who have demonstrated exceptional and outstanding service to their community.

And, Mr. Deputy Speaker, this was an exceptional year because the Rotary Club of Saskatoon, Saskatoon Fire and Protective Services, and Saskatoon Police Service paid tribute to emergency responders from New York City who on September 11 and every day since have shown us the true meaning of heroism.

Award recipient Sgt. Anne Marie Verbil of the New York City Police Department and Bobby Beddia of the New York City Fire Department shared their stories of the terrorist attack on America and the subsequent nightmare they went through. They recounted their personal experiences of surviving this tragedy and working at Ground Zero in a very moving, emotional, and unforgettable way. And they presented a graphic video of the events of September 11 throughout which Sgt. Verbil gave a commentary of the horrific experience police and emergency responders dealt with on that day. She also spoke of the many brave emergency responders who have worked so hard to bring a semblance of normalcy back to the people of New York.

Bobby Beddia and Sgt. Anne Marie Verbil have seen first-hand

what evil can do and have also seen the goodness and strength of people helping recover from the unthinkable events at Ground Zero and they commended the many Canadians who sent messages of support and hope.

Mr. Speaker, it was truly a memorable event and I feel very privileged to have been able to attend. Thank you.

Some Hon. Members: Hear, hear!

Moose Jaw Women of Distinction

Hon. Ms. Higgins: — Thank you, Mr. Deputy Speaker. May 4, this past Saturday, marked the sixth Women of Distinction Award celebration in Moose Jaw. As a woman and as a member of government, it was an honour, along with my colleague from Moose Jaw North, to attend this luncheon to acknowledge and celebrate the achievements women are making in Moose Jaw and throughout our province.

Women's rights activist Mary Wollstonecraft once said, "I do not wish women to have power over men, but over themselves."

Mr. Deputy Speaker, this year the celebration honoured a very worthy group of recipients: Megan Reid in the youth category; Lea Meili and Judy Boyle, leadership in the workplace; Marion Tolley, community enhancement; Irene Sather, community mentor; and Dr. Ann Vander Hooff in science and technology.

This event continues with its tradition of honouring women who keep the pioneering spirit of the prairies alive through their leadership and commitment to their communities.

Mr. Speaker, it's with that pioneering spirit that we should all remember. Their perseverance and commitment speaks to the heart of this province and some of the greatest changes that we have seen over the years, such as the co-operative movement and universal health care.

Mr. Speaker, I would like to congratulate all the nominees and recipients. I know their efforts are appreciated by all. Thank you.

Some Hon. Members: Hear, hear!

Community Volunteers Receive Awards

Mr. Kwiatkowski: — Mr. Deputy Speaker, today I rise to recognize the accomplishments of Eleanor Zurba Morin who is one of two volunteers to receive an award at the recent North East Recreation and Parks Association annual meeting.

Mr. Deputy Speaker, NERPA (North East Recreation and Parks Association) created two community volunteer awards as a tribute to volunteerism by recognizing the tremendous work of volunteers throughout the Northeast. From nominations submitted by organizations and individuals throughout this large area, Ms. Morin and Beatrice Furber of Sylvania were selected to receive the inaugural NERPA Volunteer Awards.

Mr. Deputy Speaker, in presenting the awards, NERPA director, Shelby Rushton of Melfort, read the citation of Ms. Morin's extensive contributions to the community.

Mr. Rushton said, "Eleanor has been involved with the Hudson Bay Museum for six years. She has been instrumental in the landscaping and caring for the various plants, trees, shrubs, and lawns on the museum grounds. Over the years, she has, almost single-handedly, maintained and cared for all aspects of the grounds. In the summer she instructs and assists the summer (students) . . . in the care and maintenance of the lawns and gardens. For the last four years, Eleanor has co-ordinated the annual flower show and tea at the Museum."

Moreover, Mr. Deputy Speaker, she also helps plan and decorate the museum's float in the Heritage Day parade. In the words of the NERPA director, "The Hudson Bay Museum and its patrons benefit from Eleanor's hard work."

I would like all members to recognize the important contributions of Eleanor Morin.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Response to United States Trade Sanctions

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

On Friday the Saskatchewan Party called for an unprecedented conference of government and opposition leaders from the Western provinces to deal and agree on a unified strategy to deal with the unfair US (United States) trade attacks on our agriculture and softwood lumber industries.

The government was not able to accept this idea on Friday but, on a more positive note, the Premier is now saying that he believes it has merit. Mr. Speaker, immediately following question period I will once again ask to move an emergency motion calling for this conference to take place as soon as possible.

My question to the Premier is: will he support this proposal?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, I'm pleased to report to the House today that I have been in conversation with the Premier of the Yukon, who currently Chairs the Western premiers, and as members of the legislature may be aware, the Western premiers will be meeting within three to four weeks time at the scheduled annual conference this year in Dawson City.

I have, in discussion with the Chair of the Western premiers, been able to secure on the number one placement on the agenda of premiers, the discussion of the US farm Bill and a coordinated strategy.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Now, Mr. Speaker, again I repeat, there is in my view merit in presenting a unified position from this province, from this legislature, and from the provinces of Canada.

In regard to an earlier gathering of premiers, I think I need to respect the timetables of others and I need to be, and I have committed to do, to be in contact with the other premiers to discuss this further.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Thank you, Mr. Speaker. I know the Premier is aware of the urgency of this matter. In fact the duty on softwood lumber comes into effect on May 23, prior to any Western premiers' conference.

Therefore, Mr. Speaker, I would again ask the Premier to discuss matters with all four Western premiers and with the leaders of the opposition to see if such a conference could be . . . could take place prior to the regular meeting, specifically focussed on the US farm Bill, the softwood labour . . . the softwood panel ruling, and, Mr. Speaker, a unified response.

Mr. Speaker, my question to the Premier is: has he contacted other premiers, other leaders in Western Canada, and has he offered Saskatchewan as the host province for a special emergency meeting on these issues?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, in addition to my conversations with Premier Duncan around the Western premiers' conference, I think, as the Leader of the Opposition will know, I took the opportunity this very day while in Bismarck, North Dakota, to sit down across the table from the current Governor of North Dakota where we in fact talked about softwood and spent a good bit of time talking about the US farm Bill.

I have had my office begin to make contact with other of our colleagues in the country. I intend to be following that up later this day and over the course of the week, Mr. Speaker.

What is clear to us is that the position that we've advanced and the position, if I may say, advanced by this legislature, has brought the entire issue of the farm Bill, in adjacent to the softwood lumber dispute, to national and international attention. I can report, Mr. Speaker, that on Bismarck radio this morning they were reporting the work being conducted today by the Minister of Agriculture from Saskatchewan, in Ottawa today meeting with his counterparts and with the federal minister.

It's not that often, Mr. Speaker, that travels of the Minister of Agriculture in Saskatchewan are being reported in American radio. So we have caught the attention; we're looking forward to moving this file forward.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Thank you, Mr. Speaker. I still haven't got a specific answer to my question, albeit I would urge the Premier to agree to the emergency debate. The invitation being put forward unanimously by the legislature obviously would be an important step in allowing such a meeting to convene.

Mr. Speaker, moving on, though, both the federal and provincial governments are talking a lot about the options that

are being considered, but there is no clear indication yet what those options are.

(14:00)

So I would ask the Premier, based on the province's talks with the federal government, is Ottawa considering an increase in farm support payments? Are they also considering paying the softwood lumber tariffs until there is a ruling by the WTO (World Trade Organization)? And finally, are they considering any form of retaliatory trade action against the United States?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, it's not possible for me to report at this moment the thinking of the federal government and what they may be in fact planning to do. As late as just moments before the resumption of the House this afternoon, I was in touch with our delegation who's in Ottawa today. They tell us that particularly the farm Bill is under discussion. Discussions will continue today and, I'm told, well into tomorrow. We will report any results from those discussions as soon as we know them.

Now let me say, Mr. Speaker, I was very pleased to have reported to me that the House Leader of the federal government, Mr. Goodale, was here in this Chamber on Friday. I take that as a positive response to the resolution that was debated and passed in this legislature. We continue to encourage and we'll work for the presence of those federal ministers in our province to discuss this issue. We want to be diligent on a daily basis, but at the same time we want to give fair opportunity for other colleagues to adjust and make their plans as well.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Thank you, Mr. Speaker. The Premier is correct in that we have seen a few positive signs from the federal government. Mr. Goodale being in the Legislative Assembly last Friday certainly makes it look like the federal government is paying a bit more attention than they have in the past. Mr. Vanclief, the federal Agriculture minister, has also indicated his support for further assistance for farm families.

Mr. Speaker, I believe that our own Minister of Agriculture went to Ottawa last night. Therefore I think it's very fitting that the Premier would inform this Legislative Assembly of what progress he has made, how much money is Ottawa willing to provide, has the government and has the Premier received any clear indication as to what Ottawa's plans are, how much money are they willing to put into both Canadian agriculture and into the softwood lumber industry, and quite frankly, Mr. Speaker, could the Premier tell us how soon we might expect to see support from the federal government?

Hon. Mr. Calvert: — Mr. Speaker, unless I'm mistaken, I think I just addressed that very question. I'm surprised the Leader of the Opposition asking it again. Let me repeat therefore. As he has indicated, the minister of Saskatchewan . . . the Minister of Agriculture from Saskatchewan is today in Ottawa meeting with his colleagues and the federal minister.

Moments before question period I made some inquiry to see if

there have been any developments yet today. I am told, no; that in fact the meetings continue, that the US farm Bill is the uppermost item on that agenda and the federal response to it. I cannot report further to that.

But again I commit to the Leader of the Opposition, as soon as information is available we will be very, very happy to make it known to our friends in the media and to all members of the House.

Some Hon. Members: Hear, hear!

Nursing Shortage

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

In the 1999 election campaign, the NDP (New Democratic Party) promised to hire another 500 health care providers including doctors, nurses, and specialized professionals. But since 1999, almost 1,200 nurses have actually left the Saskatchewan health system.

And now we hear that because of this severe nursing shortage, health districts are paying tens of thousands of dollars more in overtime costs. Mr. Deputy Speaker, the concern is not only how much all of this is costing the system, it is also the long-term mental and physical effect on nurses who are working extensive overtime.

We haven't heard anything lately from the NDP government about recruiting more nurses to the system. Mr. Deputy Speaker, will the minister explain what steps, if any, his department is taking to address the severe nursing shortage in Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Thank you, Mr. Speaker. This government set forth in its action plan a province-wide human resource strategy which includes quite a number of initiatives. They include initiatives like resolving issues at the bargaining table with the nursing people, which we have done.

We are now working together with the people there, with the people in the College of Nursing and other places, to make sure that we, over the long term, provide the kind of nursing education that we need.

We're working around workplace issues to make sure that the work setting can provide a positive place for people to go to work. We're addressing all of the kinds of concerns that people raise. But we are doing this together with the workers, together with the management, because that's the way that you solve these problems, is working together.

Some Hon. Members: Hear, hear!

Mr. Gantfoer: — Mr. Deputy Speaker, the nursing shortage is so severe in this province that many nurses actually are deciding not to take overtime shifts. Whether it's because their regular shifts are enough for them to handle or whether it's because they don't want to contribute more to holding this

shaky health care system together, we don't know, but more and more nurses are declining to take overtime shifts. So the work falls on a few.

Mr. Speaker, the work of the health care system still has to be done. And the health district has to either close beds or pay overtime. And nurses who are working these shifts are facing severe stress and tiredness issues from day to day.

Mr. Speaker, since this government put all these plans together since '99, we've actually lost 1,200 nurses in this province. When will the government live up to its commitment to hire 500 health care professionals more than what they had in '99?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, the whole area of providing the appropriate professional people throughout the system is a complex task that has to be dealt with with many different people working together. And we are working together with the SRNA (Saskatchewan Registered Nurses' Association), with the union of nurses, the other professional groups within the nursing field; we're working together with the College of Nursing, with SIAST (Saskatchewan Institute of Applied Science and Technology); we're working together with the hospital and health board administrations across the province to continue to address the issues that are of concern to the people working in the system.

And as we go ahead working with these particular issues, then we are in a position where we can recruit new people and we can also have people come back for retraining to fill some of these positions. And we also can say to people across the province that this system will continue, it will be sustainable, and we will provide good care for everybody.

Some Hon. Members: Hear, hear!

Mr. Gantfoer: — Mr. Deputy Speaker, the minister says that this is a very complicated issue. Well it's obviously too complicated for this government to understand.

Some Hon. Members: Hear, hear!

Mr. Gantfoer: — Mr. Deputy Speaker, since 1999 we've lost 1,200 nurses. I was at the SRNA convention last week in Saskatoon. And you know what? When they're doing their budgeting in the next two years, they said that their budgeting on the basis of losing 150 to 200 more nurses each year in this next two years.

So, Mr. Deputy Speaker, obviously the SRNA and the nurses themselves don't have any faith at all in this government's plan, in this government's attempt to study and co-opt everybody into taking their responsibility.

Mr. Deputy Speaker, the government doesn't understand until we solve this problem, they are not going to solve the issue of waiting times; they are not going to solve the issue of workplace stress.

Mr. Deputy Speaker, when will this government wake up to the fact that their plans, while they are studying them to death, are

failing?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, in our instance here in Saskatchewan we have been working. We've set out our plan in December of where we're going, and we're working together with the people to develop the actions that we need to make sure that we have a good, long-term health care system.

For example, we have developed a nursing re-entry bursary program and to date we've had 126 nurses who have come back to retrain so that they can come back into the nursing profession.

Now one point I would like to make, Mr. Speaker, is that it is very nice to see that the member opposite who's asking these questions maybe has changed his perspective since last year when he said:

... doesn't the minister understand that what we're concerned about is health care professionals, not about administrators and janitors.

We care about all the people in the health system and we do not go with the kind of perspective that the people across the way go.

Some Hon. Members: Hear, hear!

Error in Government Contact Telephone Number

Mr. Kwiatkowski: — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, my question is for the Minister of Environment.

Over this past weekend I received a number of calls from fishing licence vendors. They'd received a notice from SERM (Saskatchewan Environment and Resource Management) about this year's angling and game licence fees and about the new three-day angling licences available in the southern and central zones.

And, Mr. Deputy Speaker, at the bottom of this notice there's a 1-800 number that these vendors are expected to call in order to order these licences or to get more information. However, when you call that number, Mr. Deputy Speaker, you get a little more than you bargain for. In fact the phone number actually connects licence vendors with a sex line.

Mr. Speaker, to the minister: what steps has the Department of Environment taken to rectify this problem?

Hon. Mr. Belanger: — Thank you, Mr. Speaker. I just want to point out . . .

The Deputy Speaker: — Order, order. Order.

Hon. Mr. Belanger: — Thank you, Mr. Speaker. The error was found out on the morning of Wednesday, April 24 and by the afternoon, Mr. Speaker, we got in contact with all the vendors. There's 336 vendors that were involved. We couldn't make direct contact with 10 of those vendors, Mr. Speaker.

But all the 336 vendors that have been impacted by this have been contacted. The corrective measures have been taken, Mr. Speaker. It was human error. And, Mr. Speaker, in all the issues of contact to make sure that this thing was corrected have been done. Thank you.

Some Hon. Members: Hear, hear!

Mr. Kwiatkowski: — Thank you, Mr. Deputy Speaker. Well some of the vendors that were calling me with their concerns this weekend, Mr. Deputy Speaker, still had not been contacted. Some of those that had been weren't actually contacted until later Friday afternoon.

But I guess it begs the question, Mr. Deputy Speaker, how could this mistake have occurred in the first place? The original number doesn't resemble the correct number at all.

I guess the question as well, Mr. Deputy Speaker, is how much has this mistake cost Saskatchewan Environment and Resource Management? Since they found out about the error, what's been the cost associated with rectifying it?

Some Hon. Members: Hear, hear!

Hon. Mr. Belanger: — Mr. Speaker, we will give that information to that member as soon as that information is available. I will point out though this was a human error. It was a mistake made, and as soon as the error was found out, Mr. Deputy Speaker, we took immediate corrective steps.

And as I mentioned earlier, Mr. Deputy Speaker, we could not get a hold of all of the vendors, so we left messages. There's been letters that have been sent, Mr. Speaker. There's been repeated efforts by many staff members to contact each and every one of the vendors, Mr. Speaker. So this problem, as soon as it was found out, was corrected, Mr. Speaker.

And while I can't guess as to how much the money . . . what money may have been spent to correct the problem, I can almost assure that member that that amount was certainly a small amount. Thank you, Mr. Speaker.

SaskPower International

Mr. Wall: — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, last fall the Saskatchewan rate review panel commissioned an independent report on SaskPower in conjunction with a request by SaskPower for a rate increase. The report found that SaskPower International will continue to lose money over the next five years — that's the international division, Mr. Deputy Speaker.

In addition to that, it found that investments by SaskPower International will add close to \$500 million of debt to SaskPower over the next five years. And who is going to pay for those losses and that increased debt, Mr. Deputy Speaker?

Well the report indicated that SaskPower customers here in the province of Saskatchewan can look forward to paying for those SaskPower International losses and the increased debt to SaskPower.

So, Mr. Deputy Speaker, the question to the minister is pretty simple. Why should SaskPower customers here in the province of Saskatchewan foot the bill for losses by SaskPower International and increases in debt due to the activities of SaskPower International?

Hon. Mr. Sonntag: — Thank you very much, Mr. Deputy Speaker. First of all, the member will know, as I've said many times in this House, that our Saskatchewan Crown corporations have done very well and have operated very well, and overall, their revenues have exceeded their expenses by a considerable amount, Mr. Speaker.

With specific reference to that member's question, SaskPower continues to review the Dillon report, and we on the CIC (Crown Investments Corporation of Saskatchewan) board and within government will also continue to review the recommendations made by . . . in that consultant's report, Mr. Deputy Speaker.

Some Hon. Members: Hear, hear!

(14:15)

Mr. Wall: — Thank you, thank you, Mr. Speaker. Mr. Deputy Speaker, the minister has indicated that the government will be reviewing the Dillon report. That report was available to the government in December, and several media outlets and certainly the opposition — and we'll find out about some other people — frankly are interested in at least an indication of the government's response.

Mr. Speaker . . . Mr. Deputy Speaker, the independent's consultant report said, and I quote:

SaskPower should seriously examine its future business relationship with SaskPower International, with a view to moving SaskPower International's financial consequences from the responsibility of the SaskPower ratepayer.

Mr. Deputy Speaker, day after day we hear the NDP tell us how the international activities of our Crown corporations benefit the province of Saskatchewan, benefit the Crowns' activities here in the province of Saskatchewan.

Here is a clear example of an independent consultant indicating that's not the case. We need more than a review, Mr. Deputy Speaker. What is the minister specifically doing about this recommendation?

Some Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — Thank you very much, Mr. Deputy Speaker. I think the member is aware — although maybe we've not said it specifically inside the House here — but the point that the member makes I think is valid. SaskPower has indicated publicly through the press and in other venues that they think it's a point that is worthy of consideration.

I've indicated that we ourselves would be willing to look at this very issue and study it to see whether or not it makes, whether or not it makes sense, Mr. Deputy Speaker.

I would also say though, Mr. Deputy Speaker, that some of the recommendations in the Dillon . . . in the consultant's and Dillon's report, suggest some changes that will have some serious impact here in the province around employment for Saskatchewan people. And those are some of the points that we would want to take into consideration.

Some Hon. Members: Hear, hear!

Mr. Wall: — Well, Mr. Speaker . . . Mr. Deputy Speaker, to add a little impetus to the minister's activities in this regard, we should review very closely what the independent consultant's report had to say with respect to SaskPower International, that they do expect — SaskPower International — expects to lose 1 to \$2 million a year for the next three or four years.

The report says, and I quote:

As a result, SaskPower's net income will be reduced by approximately 4 to \$5 million a year, SPI losses plus financing costs . . . These costs form part of SaskPower's revenue requirements to be covered by the . . . (rate payer).

Will the minister at least give the Assembly a deadline by which the government will have made a final decision on this important recommendation?

Some Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — Well, Mr. Speaker, the member knows as in many of the other external investments from some of the . . . by the other Crowns, I should say, that many of the costs that SaskPower have incurred are start-up costs in some of those investments, Mr. Speaker. It's nothing that would have been unexpected. It's things that we reported in our annual reports, Mr. Deputy Speaker.

We indicated that in the starting years, like any private sector utility, in the beginning of an investment, in the first number of years, you would have losses. So there's nothing unusual about this at all, Mr. Deputy Speaker — nothing at all.

Some Hon. Members: Hear, hear!

Mr. Wall: — Mr. Speaker, Mr. Deputy Speaker, the government can do something very basic and very fundamental that doesn't violate anything in their manifesto. They can simply separate SaskPower International from SaskPower — that's what the consultants have recommended — to protect the ratepayers, SaskPower customers, from exposure to these out-of-province activities.

Mr. Speaker, it's not just the Sask Party raising these concerns. It's also been raised by the NDP's own members, Mr. Speaker, members they have on the Standing Committee on Crown Corps.

The NDP member for Saskatoon Nutana moved a motion in the Crown Corporations Committee calling on the government to look at separating SaskPower International from SaskPower in order to do, and I'm quoting her motion now:

. . . in order to minimize risks to SaskPower ratepayers and

remove the potential for investment losses by SPI therefore putting upward pressure on rates of SaskPower customers.

Mr. Deputy Speaker, the member for Nutana's motion, the motion that was supported unanimously by NDP members and by Sask Party members, is bang on.

Will the minister at least give us — at the very least — give us a deadline by which a final decision will be made by this NDP government on the recommendation by Dillon, not just for SaskPower, but for the major Crown corporations of the government?

Some Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — Thank you very much, Mr. Deputy Speaker. Well first of all let me commend the Crown Corporations Committee members for doing what I think is good work on this very issue. The recommendation that the member makes I think is a good recommendation and the motion makes sense — we should review that very point Mr. Speaker.

And I think this confirms the answer that I gave just a few minutes ago that said SaskPower said that we should review this. We agree that we should review this.

But I think the more important point for the public to recognize here, Mr. Deputy Speaker, is the very point that the opposition continues to try to discredit our Crowns, Mr. Speaker, with one single agenda, Mr. Speaker. I said it before and I'll keep saying it, and I think the people of Saskatchewan are starting to understand that their agenda is to discredit the Crowns to sell the Crowns, Mr. Speaker. Full stop, period.

Some Hon. Members: Hear, hear!

MINISTERIAL STATEMENTS

Growth of Saskatchewan's Forestry Industry

Hon. Mr. Lautermilch: — Thank you very much, Mr. Speaker. I would like to, if I could, make a few words to the House as it relates to the forestry policy in Saskatchewan.

Mr. Speaker, yesterday marked the start of National Forestry Week here — a week dedicated to raising awareness about our important contributions our forest makes to our environment and to our economy.

Mr. Speaker, I'd like to take this opportunity to provide members with an update on a significant and the rapid growth that Saskatchewan's forestry sector has had in the last three years. Many members, I'm sure, will recall back to April 1999 when government and industry teamed up to make the single biggest private sector job creation announcement in the history of the province.

Mr. Speaker, our plan was to more than double the forest industry through private sector investment of more than \$850 million and to create as many as 10,000 direct and indirect jobs for Saskatchewan people.

Well, Mr. Speaker, much work — and I know they hate good news, but if they can bear with me as I go through this — much work has been done over the — and they should turn their ears away from this if it's too much good news for them to bear, sir — much good work has been done over the past three years and many successes and milestones have been achieved, and many more developments for the industry are on the horizon.

Mr. Speaker, I'm pleased to report that we have met or exceeded all of our goals.

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Mr. Speaker, over \$900 million has been committed to new and expanded facilities, and we expect that figure will easily surpass the billion dollar mark once a number of current projects are completed. That is well above the goal of \$850 million that we set back in 1999.

Now, Mr. Speaker, I want to share with members opposite and the people of Saskatchewan what some of those completed projects are: a \$315 million upgrade to the Prince Albert Pulp and Paper Mill; a \$220 million oriented strand board mill in Hudson Bay which, by the way, is the largest mill of its kind in the world; a \$100 million saw mill redevelopment in Big River; a \$27 million saw mill in Prince Albert developed by a partnership between Weyerhaeuser and three First Nations; a \$2 million saw mill upgrade and wood treatment plant in Glaslyn; a \$2 million saw mill in Dillon, a \$2 million saw mill in La Loche; and more than \$10 million in saw mill expansions by independent operators, Mr. Speaker.

All of these completed projects add up to more than 2,200 direct and more than 4,500 indirect jobs for Saskatchewan people, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — And, Mr. Speaker, those numbers will climb to well over 10,000 once the current projects in those works . . . that are in the works are completed.

Among the projects currently under develop . . . under development are a new \$220 million OSB (oriented strand board) plant and a \$5 million planer mill, both in Meadow Lake. And, Mr. Speaker, the \$5 million redevelopment of the Green Lake saw mill. We have also marked another major milestone . . .

The Deputy Speaker: — Order. Order. I'm having difficulty hearing the member so if the order of House could please come to order and have attention to the minister. I recognize the Minister of Industry and Resources.

Hon. Mr. Lautermilch: — We have also marked another major milestone with the opening of the Saskatchewan Forestry Centre. Established last year, the centre is the cornerstone of our efforts in forestry. It will ensure our growing forest industry has access to the best training, market research, technologies and new methods to help it realize its full potential.

Mr. Speaker, all of these accomplishments are certainly a reason to celebrate. They're a shining example of what can

happen when government and industry work in partnership to achieve common goals.

Now, Mr. Speaker, we are moving forward to a new phase of forest industry growth. This phase will see more focus on using smaller logs and our abundant wood supply residue. We are also launching a new thrust in creating a major secondary wood products manufacturing centre in Saskatchewan.

Right now, there are numerous projects being considered with investment potential of over \$1 billion. These projects include new saw mills, hardwood lumber production, expanded OSB, post plants, finger jointing, a door skin plant, a bio oils plant and a new newsprint facility, Mr. Speaker. As we continue to expand our secondary manufacturing, there will be many more opportunities, opportunities that will lead to either . . . even further investments and more jobs.

So, Mr. Speaker, I encourage all members to support our efforts as we continue to grow and expand our vibrant forestry sector. And, Mr. Speaker, I encourage all members to show their support of our forest industry during National Forest Week, May 5 to May 11.

Some Hon. Members: Hear, hear!

Mr. Allchurch: — Thank you, Mr. Deputy Speaker. I'm pleased to be able to stand and respond to the ministerial statement, and . . . that I just got a copy of it not that long ago.

I know that this week, starting Saturday, May 5, was National Forestry Week, and I'd like to comment on some of the comments the minister made in regards to forestry week starting then. The minister went on to say about some of the issues that are facing our forestry industry and some of the accomplishments him and his government has done. And there are a few, there are a few . . . (inaudible) . . . are a few.

But I would like to go back a little bit, Mr. Speaker, a couple weeks ago when I was here in estimates asking questions of the minister regarding forestry and forestry issues, regarding the North and . . . (inaudible) . . . more in my constituency. And the minister said, that's not my jurisdiction. And then he gets up today and talks about the forestry incentives and the issues that's in this province.

I also want to say, Mr. Speaker, that the forestry industry in Saskatchewan could be — and I say with emphasis, could be — thriving. There is a number of things that's causing it — not the embargo between Canada and the United States that's causing a great deal of problems which the opposition leader raised questions regarding it and asked for the members opposite to have a debate later on, which I know very well he will not let that debate go on.

Mr. Deputy Speaker, our forestry industry is something that the northern people need desperately. And when I look at some of the things that the government presently is looking at to do, they are going to be fortunate . . . or going to be positive things for the fortunate people of the North.

But talking about it, Mr. Deputy Speaker, and actually doing it are two different things.

And I don't know how this government plans to do the things they want to do in the forestry industry, basically because of the deficit budget they put forth here this spring.

Therefore, Mr. Speaker, regarding National Forestry Week, forestry could be a very positive issue in the province of Saskatchewan, but under the government that we have today that come up with promises and incentives that things will change . . . until we see some changes and some positives, nothing's going to happen.

The minister also goes on and says in the province that there was 2,200 jobs created in the last couple of years. Well 2,200 jobs is a far cry from the 10,000 jobs that the minister spoke about some three years ago.

In fact, Mr. Speaker, they know and we know that there were a lot more people moved out of the province simply because there were no jobs in the forestry industry.

And they will continue to move out as long as we have the NDP government we have today. So therefore, Mr. Speaker, in regards to the National Forestry Week, May 5 to May 11, I applaud the encouragements that are . . . should be taking place, but aren't. Thank you.

Some Hon. Members: Hear, hear!

(14:30)

INTRODUCTION OF BILLS

Bill No. 41 — The Health Quality Council Act

Hon. Mr. Nilson: — Thank you, Mr. Deputy Speaker. I move that Bill No. 41, The Health Quality Council Act be now introduced and read the first time.

Some Hon. Members: Hear, hear!

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

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

Mr. Hermanson: — Mr. Deputy Speaker, to move a motion of urgent and pressing necessity under Rule 46.

The Deputy Speaker: — Proceed.

Mr. Hermanson: — Thank you, thank you, Mr. Deputy Speaker. As you know, there's been a whirlwind of events which began mid-week last week regarding, first of all, the US farm Bill and then subsequently the . . .

The Deputy Speaker: — Order. Order. Pardon me. You have read the request for leave to a motion without notice under Rule 46.

Is leave granted . . . (inaudible interjection) . . . Just one moment.

Order. Would the member please briefly state request?

MOTION UNDER RULE 46

Conference to Debate United States Trade Sanctions

Mr. Hermanson: — Absolutely, Mr. Deputy Speaker. As I was saying, there was a whirlwind of events last week beginning with the appearance of the US farm Bill, then the panel decision on softwood lumber. On Friday, we had the federal minister, Mr. Goodale, present in the House and he indicated that this was a time when action needed to occur.

Mr. Deputy Speaker, urgency is paramount in the matter of dealing with the issue of the softwood lumber dispute and the US farm Bill. Therefore, Mr. Deputy Speaker, I am moving a motion that says:

That the province of Saskatchewan invite government and opposition legislators from all four Western Canadian provinces to a conference hosted by Saskatchewan to discuss strategies in dealing with actions taken by the United States in terms of agriculture subsidies and software lumber tariffs, both of which will be devastating to the economies of all four provinces.

Mr. Deputy Speaker, this is the same motion which we had discussed with the government on Friday. There is no changing to the wording. Mr. Speaker, Deputy Speaker, I would move this . . . I would ask for leave to move this motion, seconded by the hon. member for Shellbrook-Spiritwood.

Leave not granted.

ORDERS OF THE DAY

WRITTEN QUESTIONS

Mr. Yates: — Thank you, Mr. Deputy Speaker, I stand today on behalf of the government to table written responses to questions 150 and 151.

The Deputy Speaker: — 150 and 151 are entered.

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 32 — The Land Surveys Amendment Act, 2002

Hon. Mr. Axworthy: — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, I rise today to move second reading of The Land Surveys Amendment Act, 2002. The Land Surveys Amendment Act, 2000 was passed in part to modernize the rules respecting surveying of provincial land and in part to facilitate the implementation of the new land system. It was proclaimed in force on June, 2001, and is being implemented across the province.

It's currently in force in six out of the 10 land registration districts. The legislation in the LAND (Land Titles Automated Network Development project) system now allow any person anywhere in the world to download and view more than 120,000 plans of survey across the Internet. As the conversion of titles has occurred throughout the province, a number of

housekeeping amendments were identified that would assist in the work that is being done.

As you may know, Mr. Deputy Speaker, the system of land titles maintained in Saskatchewan is called the Torrens system. It's a system of guaranteed title. Under the Torrens system, a title is issued for each parcel in the jurisdiction. One of the main amendments we're proposing in this Bill will assist in defining those parcels clearly so that title can be issued.

The proposed amendments also provide other minor enhancements to the Act by: (1) authorizing the controller of surveys to refund fees in whole or in part; (2) allowing the boundary confirmation process to consider unpatented lands as well as patented lands in the investigation of the true boundary of a parcel; (3) allowing on-line searches of plans to access plans that were maintained by the former chief surveyor's office; (4) allowing the controller of surveys to modify the geographic information system view of the parcel to enable a province-wide seamless map of all parcels.

Mr. Speaker, I wish to announce to the Assembly the receipt of Royal Recommendation for the following Bill. This was not received in time to appear on the order paper, therefore I beg to inform the Assembly:

That Her Honour the Lieutenant Governor having been informed of the subject matter of Bill No. 32, The Land Surveys Amendment Act, 2002 recommends it to the consideration of the Assembly.

Mr. Speaker, I'm pleased to move second reading of An Act to amend the Land Surveys Act, 2000.

Some Hon. Members: Hear, hear!

The Speaker: — I would like to advise the minister that I cannot accept the motion until he reads the oral recommendation.

An Hon. Member: — I did.

The Speaker: — Thank you very much, Mr. Minister.

Mr. D'Autremont: — Thank you, Mr. Speaker. Mr. Speaker, any time that you're dealing with land titles and land issues you always have a lot of interest across this province because our whole system of our economy is based on property and access to that property and a clear title to that property.

Therefore, when I hear the minister saying that this Act and the changes to it are going to make the title to parcels of land clear, I have to wonder what's been happening in this province for the last hundred years that our titles to our property are not clear. If this Act is making it clear, then obviously the titles were not clear prior to this and you have to wonder how we've managed to survive, Mr. Speaker, ever since 1905 as a province with a system of land titles that was not clear as to who had ownership.

I think very much, Mr. Speaker, that we did have a system of land title ownership that was clear and it's only under this government and the changes they have been bringing forward that the land titles system has become unclear, Mr. Speaker.

When you look at the issues and the items that ISC (Information Services Corporation of Saskatchewan), their new 80-plus million dollars land titles system that doesn't seem to work, Mr. Speaker, what they're bringing forward . . . When you had a land title previously you had one sheet of paper. It listed all the parcels on it. It listed all the caveats and liens against that land. It listed all the owners of that property, Mr. Speaker.

Now what do you have but you have reams and reams of paper that make it extremely difficult to follow who owns what, Mr. Speaker . . . (inaudible interjection) . . . And this, as my colleague points out, is the new paperless system which utilizes 10, 20, 30 times more paper than the previous system did.

I guess maybe in part, Mr. Speaker, this is the government's new forestry strategy, is to force us to use more paper, Mr. Speaker. Well, Mr. Speaker, it's not efficient and it's not very valuable, Mr. Speaker.

We need a system, Mr. Speaker, that is clear; that when you look at a title, Mr. Speaker, it clearly says everyone that has an interest in it, both as a property owner, Mr. Speaker, and those people who have registered caveats and liens against that property, which is not the case, Mr. Speaker, under the current system.

So I think the minister in his explanations as to what this Bill is doing will hopefully be clarifying exactly how he's making our land titles system clearer and that it's going to work, Mr. Speaker — because the old system is working; it's the new system that is very much in doubt, Mr. Speaker.

So, Mr. Speaker, we need the opportunity for the public to take a look at this Bill; for those people who work with land surveys, Mr. Speaker, to take a look at how this is going to impact their operations, how it's going to impact the ownership of property in this province.

And I know that the members opposite don't really support the idea of property ownership because after all it was their premier, Allan Blakeney, that refused to allow it into the constitution, Mr. Speaker, prior to 1982. So perhaps that's why it is being made unclear, is that they wish to erode the ownership of property in this province.

So at this time, Mr. Speaker, I would like to move that we adjourn debate.

Debate adjourned.

Bill No. 33 — The Land Titles Amendment Act, 2002

Hon. Mr. Axworthy: — Thank you, Mr. Speaker. I rise today to move second reading of The Land Titles Amendment Act, 2002.

Along with The Land Surveys Act, 2000, this Act was passed in 2000 and proclaimed in 2001 in part to reform and update the law respecting titles to land and in part to facilitate the computerization of the land titles system.

The legislation is being implemented district by district across the province in the land registration districts. And six out of ten

districts have already been implemented, with the Battleford land registration district scheduled for implementation on May 27. Almost 300,000 titles have already been converted to electronic form.

As customers have become accustomed to the new system, some have requested clarification of or enhancements to the legislation to assist in their interpretation of it.

These include new provisions concerning the process for sheriff's sales of land by court order; new provisions for removal of a court certificate of impending litigation from a title; clarification of the circumstances in which a title can be held by joint tenants with no survivorship, and in which an application be made to a court to end a joint tenancy.

And one of the key amendments that we're proposing will, along with the amendments to The Land Surveys Act, 2000, ensure that there are clear definitions for each new parcel of land after a new plan has been approved.

In addition, some housekeeping amendments have been identified internally that will make the legislation more precise, such as a provision clarifying that the land titles registry includes its data as well as its documents; provisions to allow corrections to a title to be properly recorded against the title and maintained as a permanent record; and an amendment that will bring this legislation into accord with The Adult Guardianship and Co-decision-making Act which was proclaimed in 2001.

Mr. Speaker, I wish to announce to the Assembly the receipt of Royal Recommendation for the following Bill. This was not received in time to appear on the order paper, therefore I beg to inform the Assembly that Her Honour, the Lieutenant Governor, having been informed of the subject matter of Bill No. 33, The Land Titles Amendment Act, 2002, recommends it to the consideration of the Assembly.

Mr. Speaker, I'm pleased to move second reading of an Act to amend The Land Titles Act, 2000.

Some Hon. Members: Hear, hear!

Mr. Weekes: — Thank you, Mr. Speaker. The Opposition House Leader has very clearly spoke concerning the previous Bill which has much to do with this particular Bill, No. 33, An act to amend The Land Titles Act, 2000. And once again, I would just like to go over some of the points the member from Cannington made.

Again, the question has to be asked, if the system that has been in place has been working very well in the past, it's interesting to . . . we have to question what improvements there are in this present system and what improvements there have been made. Clearly the old system did work and people have grown accustomed to the old system, so the government needs to be very careful about making this new system work for the good of the people and the property owners of this province.

As the minister said, six out of the ten districts are already up and going, and hopefully the four remaining ones will be enacted, enforced, soon so that the whole province can be on the same system and everything is working hand in hand

together with the people of Saskatchewan. And also it's of interest that there's a number of amendments concerning dependent adults and ownership, joint ownership, and areas like that.

So, Mr. Speaker, I'd like to take this and review it with the stakeholders. And at this time I'd like to move to adjourn debate.

Debate adjourned.

(14:45)

**Bill No. 34 — The Education Amendment Act, 2002
Loi de 2002 modifiant la Loi de 1995 sur l'éducation**

Hon. Mr. Melnychuk: — Thank you, Mr. Speaker. I am pleased to rise today to outline for all members of the Assembly the substance and purpose of the amendments included in this Bill.

The amendments deal with two specific items. Mr. Speaker, the first amendment deals with the Prince of Wales Scholarships.

It has been just once . . . one year since the Prince of Wales visited Saskatchewan. During that visit the Premier announced a new fund called the Prince of Wales Scholarships. The Premier identified these scholarships as being the province's gift to the Prince. The scholarships were announced as reflecting a special interest of His Royal Highness.

The scholarships are intended to assist students in community high schools in completing their grade 12 education. The scholarships will be awarded to grade 11 students and will be paid out to the students in their grade 12 year.

For many of these young people the challenges and problems they face can become barriers in preventing them from attending school. The Prince of Wales Scholarships will provide support to these young students and provide an incentive for them to complete their secondary education.

As a gift from the province, the scholarship program was announced as a fund. It is not intended that the scholarship program become a government program funded exclusively by the government. Rather it is intended that the fund be established so that it can accept private and public contributions.

The long-term objective is to establish a scholarship fund of sufficient size that annual scholarships can be funded by the annual investment of the fund.

Mr. Speaker, I would add that in his remarks the Prince indicated that, and I quote:

The scholarships that you presented me with are for secondary level studies which I think probably is an area that requires particular attention.

The Prince went on to say:

I am delighted that the Premier chose the Prince of Wales

Scholarships in your community high schools as the province's gift to me, and I much look forward to meeting my scholars in the future.

The first scholarship recipients will be selected by the end of June this year. They will receive their scholarship next year in their grade 12 year. Initially, 10 scholarships at \$500 each will be awarded. The number of scholarships awarded can be increased in the future as the fund permits, Mr. Speaker.

The amendments in this Bill will provide the necessary statutory authority to establish and administer the scholarship fund and the program.

The amendments also make provision for the Lieutenant Governor in Council to make regulations related to the administration of the fund and scholarship program. Mr. Speaker, I am confident that these scholarships will assist students in community high schools in completing their grade 12 education.

Mr. Speaker, the second amendment deals with establishment of mill rates for newly amalgamated school divisions. I have reconfirmed to all school divisions this government's policy on school division restructuring. And I congratulate those school divisions who have pursued and brought to a successful outcome amalgamation with their neighbouring divisions.

In every case, the newly amalgamated divisions report a wide range of positive benefits primarily to their students, their teachers, and their classrooms.

I also commend those school divisions who have been engaged in increasingly close partnerships or sharing arrangements with neighbouring divisions.

To further encourage amalgamation, I have emphasized to school divisions my expectation that we will have 25 per cent fewer school divisions by October 2003, thereby enhancing our education system and providing a better level of service to our students. To support this expectation, I indicated our commitment to provide enhanced leadership in providing support and encouragement to those school divisions wishing to pursue restructuring.

I indicated we would work with our stakeholders in attempting to remove any barriers that might impede amalgamation discussions between school divisions. A potential barrier that was identified is related to those neighbouring school divisions that have significantly different mill rates.

Under the current provisions of the Act, school divisions would be required to establish a uniform mill rate commencing on January 1 following the date establishing that new school division. Many boards have expressed an interest in phasing in this uniform mill rate.

The amendment in this Bill will allow a newly amalgamated school division to apply a different mill rate in the area of each of the former school divisions for a period of one or two years, rather than having to apply the same mill rate over the entire area immediately, as is currently stipulated in the Act. I have been told that this flexibility will assist restructuring among

neighbouring school divisions where currently substantially different mill rates exist.

The new provision will be enabling, not mandatory. Each board will have the option of applying a common mill rate or differential mill rates based on their own circumstances. This amendment has the unanimous support from the department's restructure and coordinating committee, which includes representation from all our education partners. I believe this amendment demonstrates our commitment in providing leadership and support to school divisions.

Mr. Speaker, I'm therefore pleased to move that Bill No. 34, An Act to amend The Education Act, 1995, now be read a second time.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. Well, Mr. Speaker, as the minister pointed out, this Bill deals with two particularly distinct avenues.

First off, it deals with the Prince of Wales Scholarship Fund. Mr. Speaker, that is a very worthwhile fund and a very worthwhile project to encourage students to complete their grade 12.

In this day and age it is exceedingly important that people be able to state that they have completed their second year . . . their post . . . not post-secondary but their secondary education levels when they're going to seek employment. It is even though, Mr. Speaker, a necessity that they carry on from that point as well and receive some post-secondary education, either at universities or at technical schools — whatever suits their individual need, Mr. Speaker.

But to get to that point, you need to have completed your grade 12 education. So it's exceedingly important that assistance be provided for those who find it difficult, for financial reasons, to remain in school and to complete their grade 12. And hopefully this particular scholarship will aid in doing that.

I guess some of the questions though that the minister needs to be able to answer on this particular issue is, how will the determination be made and who will be making the determination as to who the worthy recipients are of this particular scholarship? It doesn't state in this Act how that will be done, Mr. Speaker. So we need some clarification on that as to exactly how that will be done.

Further to that, Mr. Speaker, the minister talked about 10 \$500 scholarships. As funds become available, if funds become available, Mr. Speaker, will that change? How will that change? Will there be more scholarships available at the \$500 or will the 10 scholarships remain in place for some other number of dollars availability, Mr. Speaker? Again, the minister hasn't given any direction in that area that he might be thinking of.

One of the things though that does concern me, Mr. Speaker, is when there are donations made to the Prince of Wales Scholarship, either by institutions or by private individuals, it would seem to be, as reading the Bill, that they have an opportunity to recommend that the funds they donate be used in

a particular area or used for a particular purpose.

And yet it says, Mr. Minister, that the minister will not be bound by those directions. Again, we have to ask the minister, what is his intent in that area? What is the intent of government? Will they try to honour the request made by those people who wish to donate, those institutions? Or, will it simply be thrown into the pot, simply distributed as the minister sees fit with no relationship to the request from those donors?

We've seen that happen, Mr. Speaker, in some of the other funds and foundations that this government tried to establish; namely, dealing with health care which, when push came to shove and there was a time to accept money, there was no money to be accepted, Mr. Speaker, because people didn't like the way it was set up; the idea that they could make a donation in community A and that those dollars that they donated for use within this foundation would be spent in community Y where they had no connection. The people who were interested in making donations, Mr. Speaker, believed that there should be some connection between their donation and their community of choice.

So again, if this scholarship is to be successful, Mr. Speaker, in receiving donations outside of the government venue, then I think it will be critical that those funds be available to be directed as the donor wishes them to be.

Mr. Speaker, when it comes to dealing with the restructuring of school divisions, a number of communities have already gone through that very work. They have amalgamated two or more school divisions and yet the problems associated with that still seem to carry on. The idea of having a varied mill rate within a division, a newly formed division, may get them past the first year because it's going to take a lot of work obviously to put everything in place to charge a unified mill rate.

But part of the problem, Mr. Speaker, on that is that while you may be able to charge one fixed mill rate for the entire division, you have to know that you have a uniform assessment basis that affects that entire school division, because not all municipalities use the same assessment body. They're supposed to follow the same rules but sometimes there are interpretations, Mr. Speaker, of what those rules are. So you need to know that the assessment as applied to the entire division is based on the same interpretations, Mr. Speaker, and that is going to be critical for everyone to feel comfortable that they are being assessed their taxes on their property in a fair manner compared to their neighbour.

And in some cases you're seeing a very wide variance of mill rates on property. Now does that translate into different dollars for the same kind of property? Perhaps not, but perhaps it does.

And those are the things that this kind of an amalgamation really brings into focus for the people involved in it, is how do you implement a tax policy that's fair for everyone especially if in some areas of the amalgamation you're going from a low property tax to a higher property tax, Mr. Speaker? Those people who are in that lower taxed area are not particularly keen to join a high taxed area, and so that's part of the problem, Mr. Speaker.

And so the minister is going to have to be able to ensure that the assessment is done in a uniformly fair manner and that the municipalities that are involved in the divisions are using the same tax tools, and that is extremely important as well, Mr. Speaker. If some are putting more emphasis on one kind of property versus another kind of property, it moves out of balance the assessments and the taxes paid by the various taxpayers in that area.

So the minister is going to have to be careful that those tools that are available to municipalities are working in unison so that it's fair for all of the property taxpayers. And when you're looking at this, Mr. Speaker, at restructuring schools, you don't want to add to the property taxes for education; if anything, you need to be reducing that, Mr. Speaker.

And again this isn't addressed in this area because while it's relevant, it's not necessarily a part of amalgamations. But in some jurisdictions some property taxpayers could very well be seeing an increase in their property taxes, while others in the same division may not necessarily see a reduction. So you end up with a situation where taxes are going up but nobody is seeing a reduction.

I think the minister needs to take a very serious look at this, at how he can help to make these kind of changes, mitigate the harm that takes place to the individual property taxpayers in every area.

So to give him an opportunity, Mr. Speaker, to take a look at these and to come up with some of the answers that are necessary, as well as for us to have an opportunity to contact the school divisions that will be affected, contact the municipalities to see what their thoughts on this issue are, Mr. Speaker, I would move that we adjourn debate.

Debate adjourned.

(15:00)

COMMITTEE OF FINANCE

General Revenue Fund Industry and Resources Vote 23

Subvote (IR01)

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

Hon. Mr. Lautermilch: — Thank you, Mr. Chairman. Today I have with me officials from Industry and Resources, as well as the Research Council. We'll be focusing for the next short while on the estimates of the Research Council.

To my right is Larry Spanner, the deputy minister; to my left is Dr. Laurier Schramm, who is the president and CEO (chief executive officer) of the Saskatchewan Research Council; immediately behind me is Crystal Smudy, the chief financial officer for the Saskatchewan Research Council; and to her right is Bryan Schreiner, the director of environment branch within the Saskatchewan Research Council.

Oh, and I may as well . . . Other officials that are with us today are Roy Anderson, the president and the CEO (chief executive officer) of Tourism Saskatchewan; Lori Usick, the director of finance and administration from Tourism Saskatchewan; John Treleaven, president and CEO of the Saskatchewan Trade and Export Partnership; Gerry Adamson, vice-president of Saskatchewan Trade and Export Partnership as well.

Mr. Wakefield: — Thank you, Mr. Chair, and thank you, Mr. Minister, for introducing your officials. I welcome you here and we're . . . I'm looking forward to some of the questions. I think we can get through some of these fairly quickly and we can move along.

And for Dr. Schramm, an apology. We tried to set up a meeting in Lloydminster, if you remember, and there was some complications in our timetabling with the Husky Oil and we'll try . . . we'll endeavour to redo that. So let's not give up on that plan. I think it would be very useful for you and some of your officials to come out there for that.

Looking generally, Mr. Minister, at the budget, the first thing that I would like to ask about the SRC (Saskatchewan Research Council) is where was it at one time? Why is it now in with your department, and is there a reason for it there and where is it going? Is it going to remain with your department? Is it going to be transferred to something else? Is it going to be readily available?

Some of the other things are transferred into areas where we don't have direct purview and I would like to make sure that it remains in the purview of the legislature, we just don't know where yet. Could you respond, please?

Hon. Mr. Lautermilch: — Mr. Chairman, I would want to say that my knowledge of the Research Council as it relates to the government, the government structure and organization, the Research Council has in the past worked very closely with the department of . . . former department of Economic and Co-operative Development as well as the Department of Energy and Mines.

The consolidation, as you will know, moved and merged Energy and Mines with Economic and Co-operative Development which became then Industry and Resources. The Research Council had its own vote prior to this year's restructuring and this year's organization. I think that the autonomy and the independence was reflected in that physical structure as it relates to the blue book and to the budget book.

I think that the organization, as it has operated, will continue, you know, in spite of the new look within the votes and within the vote structure. I think that it will probably be reflected next year in the budget book the same as it was in the years previous to this year.

But the functioning and the change, the role of the board, the role of management within the Research Council will remain the same and the relationship between the Department of Industry and Resources will, as it has been in the past, be very positive and a good, positive, close working relationship.

Mr. Wakefield: — Thank you, Mr. Minister. It'll be . . . I think

keeping it as an independent . . . as independent as possible so that it can pursue the objectives as directed by their board is very important.

The immediate question is the reduction in the budget for this particular year, 2002-2003. It looks like there's a reduction of just over 6 per cent and I'm wondering if that is an indication of the commitment to the research and Research Council in Saskatchewan.

Hon. Mr. Lautermilch: — Thank you. Mr. Chairman, and to the member opposite, I do thank you for the question and you're right. The number within the Research Council's budget very much reflects not a commitment to research, not a commitment to the Research Council by this administration but it reflects very much the budget pressures that we faced in this fiscal year.

As you will know, we had some struggle in terms of managing a decreased cash flow which is not unique to Saskatchewan. It was faced by the province of Alberta, the province of British Columbia, the province of Manitoba and others.

What will happen as a result of the reduction is that the Research Council is internal to its operations, reviewing programs to prioritize. It'll result in the layoff of two staff within the Research Council.

But as you will also know, part of the operations and the size and the magnitude of the operations of the Research Council is very much dependent on what external contracts they can garner, whether it . . . whether it be, you know, in the area of alternate energy or go through the different things that the Research Council does — Pipe Flow Technology Centre and the kind of resources that they're able to generate from the private sector there.

So I think it's fair to say that it will put some pressure on the Research Council of what the Research Council is doing, as other entities of this government is, have done, and that's attempting to operate within the confines of the resources that are available to us. And so I think it's fair to say that the Research Council will remain healthy, it will remain a very focused entity of government as it relates to research and development, and be very supportive of the industry that it's there to serve.

Mr. Wakefield: — Thank you, Mr. Minister. One of the advantages that an advancing economy has is its ability to be able to do research and do research on a basis of flexibility, what's needed at any particular time. And I think the ability of a research council to help direct that is important.

But I also think that there is a need to help stimulate, in some way, research from the private industry in association with this, trying to get as much private input into the research, both financial and direction, as possible, because they are the ones that are investing some pretty serious dollars in terms of the outcome of that research.

Is there any thought from your department or from SRC that we should be increasing the partnership approach to research, particularly in light of the constraint on the provincial budget?

Hon. Mr. Lautermilch: — Mr. Chairman, I guess it would be fair to say that that has been the goal of the board of directors who develop policy and work very closely with the management within the research councils to maximize the opportunity for the private sector to work with the Research Council in the different endeavours that it embarks upon.

I would give you, if I could, just one example of that kind of partnership; that being the petroleum research centre where the Research Council is partnered with Energy and Mines, Natural Resources Canada, with the private sector, to develop petroleum research capacity as it relates to enhanced oil recovery in our province. That's been very much a partnership.

I'm told in the years 2000-2001, that the contracts with industry totalled about 9.5 million. The contracts with the federal government totalled 1.9 million and the contract, as it relates to the provincial government, totalled 1.2 million for a total of \$12.6 million. The vast majority, 9.5 of the 12.6, were in fact private sector contracts.

In terms of research and development, and the investment . . . the risk investment, I'm told that there is, I believe, about \$5.3 million as it relates to the province and \$3.9 million with respect to facility revenues. So that's sort of the breakdown, but it's vastly weighted towards the private sector and contracts with the private sector, which is the way it should be.

Our goal is to — and certainly we want to as a province — invest in research, development, and the enhancement of technology, and forwarding and strengthening our provincial economy through that. The more money we can lever from the private sector — and certainly we've put some seed money in as the federal government does — then the better off we are.

Mr. Wakefield: — Thank you, Mr. Minister. I'm just . . . the reason for my question — and I appreciate the answer and the commitment from the private industry recognizing the value of SRC — I guess my question is going in this direction because for whatever reasons, the budget restraints in this particular budget has decreased the amount of money that will be available to you from the General Revenue Fund. Is that going to be a signal to the private industry? Are you going to be able to keep that commitment from the private industry?

When I look at the annual report for 2001, it shows significant amounts of contracts increased from 2000, as you referred to. Is there any projection in the upcoming year, based on your budget, participation from private industry, because I think that is essential?

(15:15)

Hon. Mr. Lautermilch: — Okay. Thank you, Mr. Chairman. I don't have a detailed breakdown but the projection for this year in contract revenue is about 15 million.

And I don't have the percentage by industry — federal and provincial. We can get that for you. I just don't have the breakdown here. But hopefully we would see a proportional increase in those three areas as the total 15 million.

As I said last year, the projection was 12.6 million. This year

our target is about 15 million. So there will be growth. There will be incremental investment according to our targets. And I would assume it'll come through on a proportion.

I mean I think the private sector is well aware of the difficulties that governments across Canada have had putting their budgets together. It wasn't certainly an optimum year for Saskatchewan nor for our neighbouring jurisdictions. And I think industry understands when revenue flows, when cash flow is tight, that government as well has to tighten its expenditures and . . . to match the tightening of cash flow.

So my guess would be, and my assumption would be that the private sector would feel quite comfortable that we're not going back to the days of deficit budgets and deficit budgeting and that we are managing within . . . in the context of what revenue we have and that all entities of government have been very supportive in terms of reducing the cost of operations.

Mr. Wakefield: — Then, Mr. Minister, if that . . . if those projections are as optimistic as you indicate — and I hope they are — is there a incentive at all for the companies to invest in research? After all research is, as I mentioned, a fundamental aspect of economic development — particularly something that we want to achieve in this province.

So what kind of incentives, tax-wise or other, is in place? And are you going to make any changes in those particular areas to either increase or decrease because of necessity?

Hon. Mr. Lautermilch: — Thank you, Mr. Chairman. I think it's fair to say, that directly through the Research Council, we don't have incentive programs as part of our budget and part of the funding for the Research Council.

What we attempt to do is use the administrative support that comes from the 200 scientists, engineers, technologists who work at the Research Council to support industry investment and work within core funding to develop some opportunities.

There is some funding as it relates to research and technological development from other arms of the Department of Industry and Resources — some of it for health care, directly to the U of R (University of Regina), U of S; some of it for climate change; there . . . through just a number of different programs, many of them federal/provincial cost share — but through the Research Council itself, there are no direct incentive pools of capital for industry.

Mr. Wakefield: — Mr. Minister, are there — maybe not directly through SRC, but from your government — are there tax incentives that would encourage investment in that kind of research?

Hon. Mr. Lautermilch: — Well two of the areas that I think probably the Research Council would be more closely affiliated with would be the Saskatchewan petroleum research institute here in Regina and the other, I guess, program would be the alliance that we have put together with PRECARN and with Industry and Resources to help develop intelligent system technologies for Saskatchewan industry and business. There's been about \$4 million put into this program over the next four years.

So those would probably be two examples of programs that would support what the Research Council is doing.

Mr. Wakefield: — The reduction in the budget for this . . . in this year, 2002-2003, I'm sure will reflect a change of maybe full-time employees. When I look in the annual report for 2001, there was a reduction of salaries and benefits from the year before. Are we on a downward slide here in terms of the number of people that are working at the SRC? Are we reducing numbers; in what areas; or are they going to be constant?

Hon. Mr. Lautermilch: — Mr. Chairman, my officials have indicated to me that the number of FTEs, full-time equivalents, for the 2001-2002 fiscal year would be 194. And within the budget of the 2002-2003 and the financial constraint, it will mean two fewer people, two fewer . . . well not bodies . . . but two fewer full-time equivalents. It's a matter of restraint; it's a matter of cost control.

But I say again, the commitment of this administration to the Research Council has not and will not waver. It's been an entity that has served Saskatchewan . . . I think the Research Council just celebrated its 50th or . . . Well it began in 1947. I couldn't remember the exact year, but it's over a half a decade that it's served Saskatchewan's people very well.

It is represented on its board of directors by people across this province who understand and who know our province; who understand industry. And so I think when something is working, one would want to support the efforts that men and women who work in the Research Council.

And I can only say to you in my experience with the administration, people who work, the 200 scientists and folks who work within the Research Council, serve Saskatchewan very, very well. And we will continue to support them.

Mr. Wakefield: — Thank you, Mr. Minister. If something is working well over that period of time, I agree. I remember 1947 well, and I don't think that I should be retired at this stage yet either.

I just have a couple of quick questions and then I'm going to defer to my colleagues with some other questions.

The one other question that I have, Mr. Minister, is with regards to the pension plan. And when I'm reading the annual report from 2001, there is a . . . there has been a change in terms of how the pension plan has been operating or administered. And there is a disturbing . . . At least I hope it's not disturbing, but when I first read it, it's a bit disturbing, and can I quote it to you from the annual report? And I'm quoting from page 43, which are notes to the annual report. It says:

Upon termination of the plan, any accrued benefit assets of the pension fund remaining after deducting all liabilities shall belong to the council. The accrued benefit asset may be distributed in a manner to be determined by the council at its sole discretion.

I'm not sure what that refers to. I hope that it is innocuous and not as threatening as I'm reading into it.

Hon. Mr. Lautermilch: — Now, Mr. Chairman, here is where my officials really needed to help me because I, like I think many people in Saskatchewan, I'm not totally aware of how pensions work or how they function and all the terminology that they use.

But my officials explain it to me in this way: that our pension plan is, first of all, fully funded; that the practices that they use to manage the funds within the pensions are standard practice not uncommon to other pension funds. There are two sides to it, as I understand the explanation. There is the defined contribution which is fully funded, and there is a defined benefit which has a surplus.

So the practices within the operations of the employee benefits to the pension are very much of standard practice, and funds to manage those pensions are there.

Mr. Wakefield: — Thank you, Mr. Minister. When it says that it's at the sole discretion of the council, I'm not sure that that is comforting. Most pension plans, in my understanding, is that they have their own particular board of directors and trustees that look after that plan. And once it's set aside then it is distributed, as in other plans, back to the employees with particular regulations and protocol.

At the sole discretion of the council, I assume means the board of the council. And the board being appointed, that doesn't give me a great deal of comfort that they can operate a pension plan at the same efficient level as some of the other pension plan trustees.

(15:30)

Hon. Mr. Lautermilch: — Mr. Chairman, I'm told that the Pension Advisory Committee, comprised of five members, those are of the employees of the corporation. The pension plan, by their advice, by the advisory committee, has already provided full payment as provided by law. Revenue Canada has some guidelines that would limit the amount of payment that can be paid. They have given one year of a contribution holiday to divine . . . to defined benefit contributions and there has been a three-year retroactive increase to retirees.

So they have been using the surplus for benefits of the employees and survivors of . . . or and retirees. So I think that they're working to eliminate or decrease the amount of surplus inasmuch as they can by law.

The advisory group are the people who are employed by the Research Council which is, I guess to me, would sort of make some sense. So I would feel some comfort that the employees are looking after their own affairs in a way.

Mr. Wakefield: — Where I'm going with that question, Mr. Minister, is: if it is administered by a committee or a board of trustees and under recognized protocol, is there a particular fund that is set aside, is it lumped into SRC or departmental funds? And the reason I'm asking that question is there's another investment fund that I wanted to ask you about in a minute. But I want to make sure that if that fund is available, is it set aside so that it's not an unfunded liability to the taxpayers?

Hon. Mr. Lautermilch: — Mr. Chairman, I . . . again as it's been explained to me I think you can rest with the assurance that the funds are managed well. They're held in trust by Canada Trust. There is absolutely no ability for the Saskatchewan Research Council board or management to be able to tamper with the funds.

So I think the pensions are secure, the employees should be comfortable in that they can advise how they're managed and, I guess, Canada Trust is the entity that keeps the fund.

Mr. Wakefield: — Thank you. We do have unfunded pension funds in this province that make us a little nervous, as you, as you know. The liability is the taxpayers'.

That leads me to one other question. And that is regarding the restricted investments, which is note 4 in the annual report. And it's talked about the investments that are represented in the Technology in Action Fund. And doing a little reading, I understand that fund was the basis of a contribution for a particular research, particular . . . in a particular area. And it says:

The Council will maintain a separate account of the capital contributions and all investment income earned (from it).

And I just wanted to confirm again for the record that there is an account, it is set aside, and it's doing what it's intended to do and not being used in a, kind of a general revenue sense.

Hon. Mr. Lautermilch: — Well I can assure the member that that is exactly how it's managed, how it functions.

Ms. Draude: — Mr. Deputy Chair, Mr. Minister, and to your officials, I appreciate the opportunity to speak to you today or to talk to you today and have a . . . answer a few questions.

Mr. Minister, the last question was regarding the fund and my colleagues fear that maybe some of this money would go into like the General Revenue Fund or something of the sort. So I guess he probably is going to sleep easier tonight knowing that that fund can't be transferred into the General Revenue Fund.

Mr. Minister, your first question that you answered today talked about the status of the council and the fact that now it's no longer a department or it's sitting by itself and is now under your department. And you indicated that next year it was going to remain the same. Or is it again going to go back to where it was before as a sort of a free-standing department or area of government that would be under your auspices or perhaps under Energy and Mines like it was previous to this area?

Hon. Mr. Lautermilch: — Mr. Chairman, I think the administration as it operated under the previous bookkeeping system where it had its own, where it had its own place and it was not under the Department of Industry and Resources was a circumstance that government was comfortable with.

In terms of the restructuring, the magnitude of restructuring, and the changes as Energy and Mines and Economic and Co-operative Development became one entity, I think it ended up under the Department of Industry and Resources and I can tell you that it is my intention to ensure that it becomes its own

vote in the 2003-2004 fiscal year.

Ms. Draude: — Thank you, Mr. Minister, for that clarification. I'm sure many across the province are going to be glad to hear that it's going to go back to where it was before. It won't be, won't be as easy to say then, well we'll just move a few hundred thousand dollars here or there. Because I'm well aware of the importance of this area and I think it's going to be important to make sure it can be sorted out separately and we can be watching its, its progress.

I was concerned this year to see that there was actually a decrease in the amount of money that was allocated to the SRC. And when I look at the amount of work that was undertaken in the province and the need for research and development, this caused a lot of concern.

I wonder if you can give me the figures on what percentage of the contracts that the SRC received this year were private contracts and what percentage were department contracts like the Department of Highways.

Hon. Mr. Lautermilch: — I had a bit of a discussion on this with the member from Lloydminster, but I'll read the numbers into the record, Mr. Chairman.

First, I just . . . I should say that the Research Council, as it relates to how it is reported in the budget document, the Research Council has its own Act. It has a board of directors appointed by cabinet by order in council. And it's an entity that functioned, I thought, well, and so the reversion to its original status will remain. And I think . . . you know, I think it's a comfortable situation.

The contracts are, for the year 2000-2001: industry, 9.5 million; federal government, 1.9 million; provincial government, 1.2 million; a total of 12.6 million. We're targeting this year 15 million. I don't have the breakdown, but I indicated to the member from Lloydminster that I would undertake to get a breakdown of the estimates for the 2002-2003 fiscal year.

Ms. Draude: — Thank you, Mr. Minister. And I apologize for not, not having those figures.

Mr. Minister, one of the largest assets that we have now in the province when it comes to research and development is the synchrotron. Can you give me an idea of how your department is going to be working with the synchrotron, if there's any moves underway to see if the SRC is going to own a part or a parcel of one of the beams? Or is there . . . are you going to be working with companies to ensure that you can have . . . there can be time allocated through the Research Council? Or is this going to be individual initiatives with every project to ensure that the synchrotron can be used to its utmost for the work of the SRC?

Hon. Mr. Lautermilch: — Mr. Chairman, I appreciate the member's question because I think it's really important that all of the entities of economic development within government take advantage of the largest research initiative that . . . in the history of our country.

The work that the Research Council is doing as it relates to

uranium exploration, diamond fingerprinting, heavy metals, irritants in smokestack emissions, all of these are areas that I think the Research Council can value add to work that's being done in the private sector and work that needs to be and can be, some of it done physically at the Research Council.

The Research Council has recently signed, in September 2000, an MOU (memorandum of understanding) with the CLS (Canadian Light Source) institute as an expression of intent to collaborate in specific areas to benefit both organizations, because I think there are some synergies and there can be some support of the synchrotron for the Research Council and some reciprocal support of the Research Council for CLS. So I think that they're trying to find ways in which they can work better and work closer.

In terms of the purchase of a light beam, one of the issues that's been raised here today is, I guess, the fiscal restraints and the priorities within the Research Council. If we had unlimited resources, I think it would be fair to say that the people at the Research Council, the scientists, the administration of the Research Council, would very much like to have access and have ownership of a beam or a portion of a beam.

But I think as it exists now, the Research Council will have to work and collaborate both with the CLS and with the private sector to find ways on specific and individual bases where they can, where they can become involved.

Ms. Draude: — Thank you, Mr. Minister. Some areas do take government support and things like research and development has to be seen as provincial responsibilities — especially on issues like the synchrotron that is bringing worldwide attention to this province — and the opportunity that the SRC has to take advantage of the synchrotron is unlimited.

That's why I, when I saw that there was a decrease in the staff I found it alarming because I believed that this might have been the opportunity to find someone that was trained and was . . . would be able to bring extra expertise to the SRC.

So is there initiatives by your government to help the SRC bring the trained personnel that'll be required to ensure that we have work coming into this province to use the synchrotron?

Hon. Mr. Lautermilch: — Well I would want to say to the member opposite that I certainly hope that the reduction of two full-time equivalents out of a staff complement of 194 wouldn't alarm her unduly.

As I have indicated earlier, there were some financial pressures and the Research Council was not the only arm of government that saw a decrease in its allocation from the province. That's unfortunate but that's the kind of year 2001 was as it relates to cash flow and relates to the financial pressures that other jurisdictions as well have found themselves in.

We had pressures on the other side where the health care funding has had upward pressures, the K to 12 system has had upward pressures. We put more money into research. There's been an 80 per cent increase this year in health research and I would like the member opposite to recognize that there were some areas where research dollars have increased, health being

one of them.

It's never easy when you're putting a budget together, and there is never enough money when you're putting a budget together to satisfy all of the needs and all of the good reasons for expending money. But one has to deal with the reality of the revenue versus your fixed costs and where there are some variable cost areas or perceived variable cost areas, those are the areas where you will do tweaks and changes.

But I want to say that our commitment to research and our commitment to the Research Council as it relates to doing research and developing technology, and an understanding of things that can and will happen in our province, is unwavering. We support the Research Council 110 per cent.

Ms. Draude: — Mr. Minister, over a year ago the news media got hold of the issue of the board being dismissed by yourself, and a new board being reinstated, and I understand at the time that most of the concern revolved around the fact that the new board members mostly had background in the oil industry.

I haven't heard anything of late that would make me believe that there is a concern, but it did make many people believe at that time that there was going to be a refocus of the SRC onto, particularly onto the oil patch and oil work, and maybe leaving behind some of the other issues that we were, that are being dealt with.

I had an opportunity to deal with the research council in Alberta and talk to the research council in BC (British Columbia), and it seems that Alberta has got a lot of focus on the oil industry, but they still have not limited the work that they are doing.

Can you give some assurance to the people of Saskatchewan that the vision and the mission of the Research Council hasn't changed with the new board members?

(15:45)

Hon. Mr. Lautermilch: — Absolutely, I can give that assurance. I can tell you that we are committed and the Research Council is committed to working in a very harmonious and a positive way with the Petroleum Research Centre and the work that's being done in Regina at the University of Regina campus, which is a partnership of the Research Council, the Department of Industry and Resources, the Department of Natural Resources Canada, and the private sector. And I think I've got all of the partners involved in that.

That commitment is there, and it's strong, and we're going to make PTRC (Petroleum Technology Research Centre) a positive driving force on Saskatchewan's oil and gas development.

But I can also tell you that our focus on uranium and the development of our other sectors of mining — whether it's uranium or whether it's potash or whether it's diamonds — those are still and remain areas of commitment to the Research Council.

Heavy metals, environmental concerns, work that's being done as it relates to the Pipe Flow Technology Centre that's taking

place in Saskatoon, work that's being done as it relates to the alternative energy program, pressure vehicles using high pressure natural gas and hydrogen, that work continues.

So I would want to say that the work that's being done in biotechnology, value-added processing, just to name a few of the areas, this is not a myopic view that the Research Council is taking.

And if you looked at the board and the new board members, you'll find that these are people who very much are focused on a broad base of Saskatchewan's industry. I can . . . I'll just name some of the board members and I'm sure they won't mind because it's part of the reason that they are there.

Keith Hanson has a background in building performance and energy efficiency as it relates to housing and affordable housing. So I think a very positive — a good appointee. Someone who knows the area of expertise that the Research Council's developed and understands the emerging changes as it relates to that.

Doug Kelln, who is someone very familiar with alternate energy, is someone who's also connected to one of our Crown corporations, SaskEnergy. Larry Cooper, industrial . . . involved in industrial instrumentation. Craig Zawada, in technical transfer and commercialization. John Bennett, farming and sustainable development.

So I mean, I guess not every board . . . or every board is imperfect in a way because there's always room for improvement. But I think the Research Council, as it operates and as the board is existing at this point, is a very strong board. And I can tell you that it's been done very much — the work in putting the board together — has been done very much by the private sector.

There are sometimes, I guess, concerns that boards become political because a minister of the Crown ultimately signs the order in council that appoints them. I can tell you that this board is very much industry driven and came as a result of input from the private sector. And I think the calibre of people that we have on here and the work that they will be doing and are doing will very much reflect the nature of the people and their expertise and their background.

Ms. Draude: — Thank you, Mr. Minister. I appreciate that background. And I guess if they're a strong, very capable board, then we don't have to worry that we'll see a headline in the paper again that the minister has fired the whole board.

Mr. Minister, can you . . . is there any area that the Research Council was working on in the past while that has been . . . has been dropped from research? Is there one particular area that they've decided it isn't a profitable . . . or one area that isn't really valuable to the people of Saskatchewan so is really being not looked at any more?

Hon. Mr. Lautermilch: — The management of the Research Council, on an ongoing basis, are analyzing the different areas that they work. And the board, you know, reports to the board, and the board will then, you know, analyze whether or not the industry is . . . if there's an industry need for the kind of work

that they're doing.

And I think it's fair to say that if the Research Council is going to be current and if they're going to be relevant, that they need to be monitoring their operations on an ongoing basis and determining whether in fact it's an area that requires development, it's an area where they can support the Saskatchewan economy.

The unfortunate thing . . . I guess it would be, when you do those kinds of reviews and when you're developing policy and direction, there are always many good places and many good areas where you would want to do work. But ultimately, you have to focus to what is doable and what is sustainable as it relates to financial resources. And I think the Research Council has been doing a very good job in terms of keeping themselves relevant with what industry is requiring and what the economy of the province is requiring from it.

Ms. Draude: — That being said, Mr. Minister, is there any area that it's been considered not been relevant, has it been dropped? Any area dropped lately?

Hon. Mr. Lautermilch: — Mr. Chairman, I think it's fair to say, although there aren't a lot of areas because the Research Council has been a very forward-looking entity, as you will know, having been a past board member — and I think the work that you did in your time and the work that's been done subsequent to that would have really kept the Research Council focused in areas where they need to be.

The one area that I guess my officials have indicated change has taken place is with respect to sodium sulphate. It's a very changing . . . very much a changing sector of our mining economy. The markets have switched and changed dramatically and the viability in terms of those entities is becoming a bit more marginal. It's becoming more and more difficult and the research dollars from private sector to support the work that the Research Council has been doing, as I understand it, has somewhat contracted and it's not an area that they're doing research in at this point.

Ms. Draude: — Thank you, Mr. Minister. There's a couple of areas that I'm just wanting to confirm that there is work being done on and perhaps you can just give us a bit of an update.

Is research still being undertaken around fuel emissions and the bovine lab?

And then, particularly this year with the concern with water in North Battleford and other parts of the province, what . . . is the Research Council doing work for the Department of Environment or Sask Water on some of the water concerns across the province?

Hon. Mr. Lautermilch: — Mr. Chairman, and to the member opposite, with respect to the work being done on fuel emissions, that continues. The bovine lab, the answer is a big yes — very important to the work that the SRC is doing.

The Water Corporation continues to work with the former department of SERM, now the new Department of Environment, and with Sask Water as a collaborative approach

to water management. So the work that's being done inside the Research Council continues.

Ms. Draude: — Are any of the water sampling and the testing that's being undertaken right now being done at the SRC, or are they all being done at SERM?

Hon. Mr. Lautermilch: — No, the water testing is still being done inside the council.

Ms. Draude: — So the testing that . . . the samples that each town sends in on a monthly or a weekly basis is sent directly to the SRC?

Hon. Mr. Lautermilch: — Mr. Chairman, I'm told that — this is how I hear it works — the municipalities have the option of either sending it to the water lab or sending it to the Research Council for testing. The water lab does it at no cost, but the Research Council does it on a fee-for-service basis. But in spite of that, there are still some municipalities who do send samples in for testing through the Research Council.

Ms. Draude: — So is there some . . . would do they do it just because of the speed that you do it, or do they feel more confident if it's done through the SRC, or why would someone send it to a facility where they're going to pay for it, if they can get it done for nothing?

Hon. Mr. Lautermilch: — I guess that would . . . Probably the motives from the municipalities may vary, may differ. It may be the time to turn around. I can't speculate as to why they would choose a fee'd service as opposed to a free service.

Only, I guess, fair to say that the service is available and I think that's what the municipalities are wanting and what the different jurisdictions are wanting, is assurance that they can have their water tested when they want and that they can ensure safety of the water quality for the people who they represent.

Ms. Draude: — How much money did Sask Water or Municipal Government pay to the SRC last year for work that they did on water?

Hon. Mr. Lautermilch: — Mr. Chairman, I'm told that our people don't have those numbers here but we'll get them for you and we'll send them across. But they don't have that detailed of a figure here, at least broken down in the way you're asking for it to be presented. But we'll get it to you.

Ms. Draude: — Thank you, Mr. Minister. When board members were let go last year, was there a severance package given to them?

Hon. Mr. Lautermilch: — Madam Chair . . . or Mr. Chairman, I'm sorry, and to the member opposite, board members are paid on a per diem basis. So the days they work they're paid per diem and they're, of course, paid travelling and accommodation and food allowance based on rates that are pretty much standard across government. But in terms of severance, no, because there was no salary. It's only a per diem.

Ms. Draude: — Mr. Minister, my colleague from Lloydminster had asked you a question on a fund, and I believe it was

probably the fund that was initiated by Dr. Ian Wong. Is that the one that they were discussing?

I'm wondering if you can give me an update on that and tell me if there's been any other donations that were put into that fund in the last four or five years and what the . . . how much money is given out each year in contracts or awarded . . . awards for people that are requesting research and development work?

(16:00)

Hon. Mr. Lautermilch: — The Technology in Action Fund, I am told, is 25,000 a year, as the member will probably recall. There is \$10,000 a year towards student awards, 15,000 towards project awards. And I am told there has been some very small funding, additional funding, but just really inconsequential in terms of the overall Technology in Action Fund but paid out 25,000 a year — 10 to students and 15 to project awards.

Ms. Draude: — My colleagues are asking that I should probably wind up but I just have one last question to ask you.

Mr. Minister, I recognize the importance of the Research Council and so do my colleagues on this side of the floor. We understand that there is a lot of work that they probably could be doing with not only with the extra funding but perhaps, as in other agencies and maybe businesses in this province, we find that there is a . . . the government gets in the way.

Have you been told by your board members or by the CEO here that there are actual things that your government should be doing to allow the Research Council to be doing their work better? And would you expand on the information that the new board has given you.

Hon. Mr. Lautermilch: — I think, Madam Chair or Mr. Chairman, I'm told — and for the member opposite — I'm told on a consistent basis, the board members say in order for the Research Council to do their job better more money, more funds would be helpful. And I think I hear that from, you know, from other boards of a similar nature.

We allow . . . I should say that the Research Council board operates in a very independent way in that they . . . we make them aware, from a government's perspective, of the broader policy initiatives and the broader policy focus that government is moving towards. And I think based on that, the boards will work in the targeted areas of economic development that are identified by the province; that, working with the management, with Dr. Schramm and his people, that the Research Council does remain very focused and very positive.

I haven't talked with board members recently, I can tell you that. I don't meet with the board on a regular basis.

I do however, though, meet with the president and the CEO of the Research Council on a regular basis, who reports to me the operations and the board and the functioning of the board. And I would want to say that I believe the new board has developed, and the president and CEO has developed a very positive working relationship which has meant for a very healthy Saskatchewan Research Council.

It was a difficult transition and it was a difficult time for the Research Council and it was a difficult time for the government, but I think that we have come through this. We're looking to the future. We've got a very strong board. We've got a strong Research Council with very strong support by the provincial administration.

Ms. Draude: — Mr. Minister, thank you very much. I of course have lots of questions I would like to ask and probably some comments on the . . . on your version of what's happening within government, but this is probably not an appropriate time to talk about it even though you did take the opportunity to whine a little.

So I think, Mr. Minister, I do appreciate the officials that came here today. I want to applaud their work that they've done and know that we look forward to more of their very good work.

Hon. Mr. Lautermilch: — Thank you very much, Mr. Chairman. I too want to thank the officials from the Saskatchewan Research Council for their support during the year and their support during the estimates and the work that they do on behalf of the people of Saskatchewan.

As agreed, we were to report progress on these estimates at around 4 o'clock and it is around 4 o'clock. So, Mr. Chairman, I would move that we report progress on Industry and Resources and move to Highways and Transportation for the duration of the afternoon.

**General Revenue Fund
Highways and Transportation
Vote 16**

Subvote (HI01)

Hon. Mr. Wartman: — Thank you, Mr. Chair. I'd like to introduce deputy minister of the department, Harvey Brooks, who is seated on my left; and behind me on the left is Carl Neggers, assistant deputy minister of policy and planning; and directly behind me is Don Wincherauk, the assistant deputy minister of corporate services. To my right is Barry Martin, the assistant deputy minister of operations; Fred Antunes, the director of operations and planning, is right behind Barry Martin; and Cathy Lynn Borbely is at the back, and she is leader of the budget development group.

Thank you.

Mr. Huyghebaert: — Thank you, Mr. Chair, and welcome to the minister and all of the officials. There are a number of people that would want in today and I'll just take up the first 15 minutes or so and try and set the tone for this.

I guess the first question, Mr. Chair, to the minister is, we've had a number of different ministers over the past while in Highways and Transportation and I just wonder if the minister could give us how his philosophy is different from his predecessors and what difference we can see from the department now that we have a new Minister of Highways?

Hon. Mr. Wartman: — I thank the member for the question and want to make it very clear that as a government we do

operate as a team, that there is no substantial change in our overall philosophy of building the infrastructure to try and support the economy.

And I think it's very important to note that as we are able, we're also accelerating the process and the progress of our work of fixing the highways and building to try and sustain and support a growing infrastructure.

Mr. Huyghebaert: — Thank you, Mr. Minister. I want to start out . . . I guess before I get into some specifics on the constituency, I want to start out just a little bit on airports.

And I noticed, Mr. Minister, that airport funding on page 70 is down \$3.6 million. And in 2001-2002 it was \$3,698,000 for airport capital, and this year it is nothing. And the overall airport's budget last year was \$4,976,000, and this year \$1,369,000. Can the minister explain this difference?

Hon. Mr. Wartman: — Thank you for the question. One of the changes this year is that there is sufficient loss of federal dollars. Airports were receiving three point — what is it roughly here — \$3.6 million under the federal airport capital assistance program. That's no longer there.

Mr. Huyghebaert: — Thank you, Mr. Minister. That was the figures that I read out — 3.6 — and that was from the federal government.

I take it the 1.3 million then is also from the federal government. Will you confirm that? If the balance in the airport's program is 1.369 million, is that federal funding?

Hon. Mr. Wartman: — No. That's all provincial funding.

Mr. Huyghebaert: — So we're not getting any federal funding at all for airports in Saskatchewan. Will you confirm that?

Hon. Mr. Wartman: — Thank you. We've done a lot of major renovations with the ACAP (airport capital assistance program) funds that were provided. And there is substantially no funding left in that federal program because we really . . . we're working with the communities. We're making sure that we're bringing the airports up just as quickly as we could with funds available. So there is substantially nothing left in the federal funding. It's only the provincial funding left.

Mr. Huyghebaert: — Thank you, Mr. Minister. And, Mr. Chair, I guess the answer to my question then is no, you're not getting any funding from the federal government for airports in this province for this year.

Hon. Mr. Wartman: — That's correct.

Mr. Huyghebaert: — Thank you, Mr. Minister. I'd just like to switch just a little bit, still dealing with airports. We know that the security fee has been quite devastating, I think, to an awful lot of operators in this province. We understand that short-haul carriers can and will be or are being hurt by this.

And I do know that you, Mr. Minister, according to a press release, had sent a letter to the Minister of Transport — and the date, I think, escapes me here, but I think it was February 19 —

expressing your concerns about the \$24 charge that took effect on April 1.

And in that letter, which I totally agree, you stated that it would be a major disincentive for short-haul air travel within the province and interprovincially. We know that this will have a definite impact on passengers and costing.

And my question to the minister is: have you received any correspondence from the Minister of Transport, the federal Minister of Transport, with respect to the letter that you sent?

(16:15)

Hon. Mr. Wartman: — Thank you again for the question. We have at this date received no direct response from the minister and in fact I have written several letters seeking some response directly from the federal minister.

We are pleased though that there are some adjustments that have been made. Northern communities have received some adjustment. There will be no air security charges for domestic travel to and from our northern airports such as La Ronge, Wollaston Lake, Stony Rapids, and Uranium City. So that was a help.

But we're still very disappointed that there are fees still applying to the short-haul flights because it can be very detrimental to travel within Saskatchewan and to those ports that we travel to close by.

Mr. Huyghebaert: — Thank you.

Hon. Mr. Wartman: — One other thing I'll just mention is that we are anticipating a review of this whole issue in September and hopefully we'll see some adjustments by then.

Mr. Huyghebaert: — Thank you, Mr. Minister. I take it that was a federal initiative that come back and said that, or was something that we have done here to allow those particular airports not to charge a security fee? Did that come from the Minister of Transport nationally?

Hon. Mr. Wartman: — Yes, it is our belief that the letters from all of the stakeholders, ourselves included, and what pressures we were able to put on through stakeholders and directly, have impacted on the fees being charged on the northern airports.

And we also believe that it is that continued pressure that is making some effect on the decision to review, and hopefully it will affect what those prices are, or what the decisions are around putting a charge on . . . for security.

Mr. Huyghebaert: — I thank you, Mr. Minister. Mr. Minister, do you have a number of Sask operators that have been affected by this fee — Sask operators?

Hon. Mr. Wartman: — To the member, we would have to say that all Saskatchewan operators are affected. All who are flying in and out of Saskatchewan are also affected by this. But there is no doubt that all those who are flying domestically will be, will be affected here.

Mr. Huyghebaert: — Thank you, Mr. Minister. The reason for my question is, is my next question. Does this fee apply to only scheduled carriers or are charter carriers also charged . . . have to pay this fee?

Hon. Mr. Wartman: — The fee would not be applied to . . . with the exceptions that I've already read out, it would apply to all regularly scheduled flights. And in terms of charters, we are aware that it will apply to some of those charters. Other charters it would not apply to. If you need more detail, we would be able to provide that.

Mr. Huyghebaert: — Thank you, Mr. Deputy Chair. Yes, Mr. Minister, I would like that. If there's information as to what charters are exempt and which ones are charging, I would definitely like to know that and the rationale as to why some are exempt and some are not.

Hon. Mr. Wartman: — Thank you. We'll provide that in writing at our earliest convenience to you.

Mr. Huyghebaert: — Thank you, Mr. Deputy Chair. There's an awful lot of people that want to jump on board here today so I'll only ask one more question on the air side of it.

And some of this is more by just word of mouth, but I've understood from some carriers that this fee has caused substantial cutback within their service. In fact as recent as, I think it was yesterday or Saturday, it was indicated to me that a carrier, a northern carrier has actually gone out of business basically because of this fee.

And I'm wondering if the minister could respond to that? If the minister or staff know how many of the carriers have cut back because . . . directly related to this fee and in fact, if any carriers have gone out of business in the North — well in Saskatchewan but that would pretty much be predicated to the North — directly related to this fee?

Hon. Mr. Wartman: — Thank you again. We have no direct correspondence that would indicate that any companies have gone under because of the fee, but we will check that further and that will also be included in our response to the previous question.

Mr. Huyghebaert: — Thank you, Mr. Minister. And not to cast any wrongdoings on . . . aspersions on previous years, but I'm still waiting for information from one of the departments from last year in estimates. So can you give me a deadline of when you would have that information for me please?

Hon. Mr. Wartman: — Next time we appear in committee we'll bring that with us.

Mr. Wiberg: — Thank you, Mr. Deputy Chair. To the minister: Mr. Minister, in the constituency of Saskatchewan Rivers I would like to bring your attention to an issue that is of a great deal of concern to a community that is there. This community is situated very close to Highway No. 3 which runs from Prince Albert east and through the city of Melfort.

Along that route there's the village of Weldon. Weldon is connected to the No. 3 Highway by a short access road that has

since the '70s, since the 1970s has had a dust-free surface on it. In the last couple of years, Mr. Minister, the Department of Highways has been trying to negotiate with the rural municipality and the village to be able to come up with an alternative on that short piece of access. And the communities are certainly quite willing to talk to the Department of Highways to try to seek resolution.

The unfortunate aspect to this, Mr. Minister, is that through the goodwill that had been going on with the department through the '70s, through the '80s, and all of the '90s, is that that short piece of access — about 3 kilometres, 2-3 kilometres — was maintained at a level probably more conducive to highway traffic in the '40s and '50s.

And unfortunately the traffic over that road is an access into north of Weldon, is a main access, and the traffic on it is quite heavy, heavier loads, B-trains, super B's. And the rural municipality through the appropriate encouragement from Municipal Affairs in the past has built their portion of a road north of Weldon to a standard to accept the heavy-haul traffic. And now that short piece of access is unable to bear the . . . today's weights that the rural communities have become accustomed to.

And the communities are trying to continue to work with the Department of Highways to keep that highway . . . that short access to a secondary highway status or get it to a secondary highway status. And I'm wondering if you and your officials could respond and . . . and what you know about how negotiations are going with the rural municipality of Kinistino and the village of Weldon in reaching resolution to this issue.

(16:30)

Hon. Mr. Wartman: — Thank you. With regard to the three kilometres into Weldon, it's reported that any time that the community has had any interest in meeting with the department on this, that we have made . . . staff has been available, has gone and met with them. And we're interested in looking at the alternatives that are possible there, including partnering with the communities to rebuild and upgrade that piece of road.

In terms of the fact that it's a TMS (thin membrane surface), they want to keep it at least up to good standards there. It is in competition with a wide variety of TMS throughout the province that are also demanding a great deal of attention to keep them up to a standard.

But when we can partner with a community, when we can work with them to build it up, then we're quite prepared to do so.

Mr. Wiberg: — Thank you, Mr. Minister, Mr. Deputy Chair. I'm encouraged by your comments because that's certainly what I'm hearing from the communities, that they'd be quite willing to enter into a great deal of partnership opportunities. They believe that they have something to offer and they know that the department through the next — well possibly even as many as 10 years — are going to have to be expensing dollars on that short piece of access anyway.

So they would like some assurance, especially from the senior level, that encouragement could come from, from your office to

your regional office in Prince Albert, that the people from Weldon and the RM (rural municipality) of Kinistino would be most accepting to be able to work with the Department of Highways, with the regional office in Prince Albert, to work out a partnership agreement where it would remain dust free. They would be willing to accept a thin membrane surface and, in all likelihood, be able to work in a partnership agreement to achieve that with as much assistance as they can provide from those two jurisdictions.

So I'm wondering then, Mr. Minister, if you can provide myself and my constituents there in Weldon and the surrounding rural municipality that your department will encourage the regional office to work with those communities to achieve what is necessary for a dust free surface there, surface there?

They understand that the department is going to have to expense dollars there anyway over the next 10 years if . . . they're wondering if those dollars could be just as well spent with the dust free surface so that heavy haul can be maintained on that short piece of road, as all secondary roads are in this province for approximately ten and a half months, ten to ten and a half months a year.

I wonder if, Mr. Minister, you can give me some assurance that you could encourage the regional office in Prince Albert to seek resolution with those two communities in the very, very near future?

Hon. Mr. Wartman: — Thank you. Yes, I'm really pleased to say as I've travelled around the province and met with our regional people that there is a clear understanding of the importance of working in partnership with RMs and communities to try and maintain and to upgrade the surfaces that we have out there.

When I've been out meeting with them — and I've been up to the northern district and met with Stu Armstrong there and continued to encourage not only that district, but each of our districts to work in co-operation — I have no problem encouraging them to continue to do that and to try and seek the earliest and best possible resolution in this situation as I do in others.

Mr. Allchurch: — Thank you, Deputy Chair. Mr. Minister, welcome to your delegates. In my constituency along Highway 3, going west of Spiritwood, is a town called Glaslyn, and Glaslyn is situated on the crossroads of two major highways. One is Highway 3 going east and west, and the other one is Highway No. 4 which comes from North Battleford going to Meadow Lake.

Now in the town of Glaslyn, there is a Highway department building. And under a proposal that was sent to the town of Glaslyn . . . and in that proposal it's stating that there is a Highway department shed there and it's going to be moved to Spiritwood and that there will be no Highway department office in . . . or building in Glaslyn. Now the cost of taking this building down and moving it to Glaslyn is going to be \$150,000 according to the quote on this paper.

My first question to you, Mr. Minister, is why are you undertaking this proposal to move the building from Glaslyn to

Spiritwood?

Hon. Mr. Wartman: — Thank you. Since '94 there's been significant work at consolidation of regional operations, and this is directly a part of that. And it comes down simply to a question of economics. When you put out tenders for a new building, you're looking 5, \$600,000. And the cost to relocate the existing building in the neighbourhood of \$150,000 is significant savings to the department.

So with the consolidation that has been in process since '94, this is a movement simply of good financial stewardship to keep our costs as low as we can.

Mr. Allchurch: — Thank you, Mr. Minister, and Mr. Chair. In regards to your answer then, are you looking at putting up a new building in the town of Spiritwood at a cost of some 5, \$600,000, and you feel that by moving the one from Glaslyn is a better move?

Hon. Mr. Wartman: — We're looking at the overall economics of this move. So the existing . . . what is existing in Spiritwood, we would look at. Can it be added to? What would be the economics of simply adding to that? What would be that relative to the cost of moving the building from Glaslyn?

And there hasn't been a clear decision made on that yet. It's not happening this . . . in this budget, but that's basically what the general process is in terms of decision making. It's what is the best financial stewardship; what will give us the kind of buildings that we need in the . . . in the point of consolidation.

Mr. Allchurch: — Thank you, Mr. Minister, and Mr. Deputy Chair. In regards to buildings, and I can understand maybe in the town of Spiritwood, which is my hometown, that maybe they need an addition to their facility to house more equipment.

But I think the bigger picture that the department has to look at is the fact that Glaslyn, who has this building site there right now, it operates vehicles out of there that look at high . . . servicing Highway No. 3 and No. 4. And No. 4, as you know, is a major, major highway. It links North Battleford to Meadow Lake. So if you're going to tear this building down in Glaslyn and move that operation to the town of Spiritwood, then who's going to look after that . . . those highways? Is Meadow Lake going to come all the way down?

Wouldn't it make more sense to leave that building there and operate machinery out of there rather than move everything over to Spiritwood? I mean the highway going north from North Battleford is a major, major highway.

So you can look at economics but I think you also have to look at practical situation and this building in Glaslyn services such a big area.

Also in the town of Glaslyn there are five employees out of the seven that live right in the town of Glaslyn. Out of the operation at Spiritwood, there's only two employees. So, Mr. Minister, I would think that you'd take this into serious consideration before you make this move to relocate that building to Spiritwood.

I mean the town of Glaslyn, who brought this to my attention — both RM and town officials feel that if it has to, they will come down and meet with you to try and get you to look at this thing from a broad perspective because it's not good to move that building out of that area like Glaslyn.

Hon. Mr. Wartman: — Thank you. I think the important thing to recognize is that the issues that you're raising in terms of the practicality, in terms of making sure that the level of service is high, the common sense issues that are raised, that those are addressed as we're looking at the actions around the consolidation.

And so what you would end up doing probably in a situation like this, is you would add a vehicle at the north end, the south end of 4, and probably another vehicle into Spiritwood area. And so your pattern of service is different but your level of service is still very high for the . . . for those roads.

In terms of the community, you had asked if we're willing to talk with them further. Of course we are.

But in terms of the overall picture for the consolidation, we're trying very, very clearly to take into account all of those factors — economics, the very practice of making sure that we have good service to those communities, particularly, I think in the wintertime where you're looking at clearing snow and ice and so forth.

So we would certainly be open to having people meet with them up there. At a convenient time we can have our district people meet with them or even raise it further up if we need to.

(16:45)

Mr. Allchurch: — Thank you, Mr. Minister, Mr. Deputy Chair. Thank you, Mr. Minister, for those comments.

I guess my final question regarding that is I look on here and it's just a tentative proposal. Does that mean under tentative proposal that it will not happen this year, that there may be some time to, like I say, have you come up and talk to the people of Glaslyn and the Highway department regarding those situations? Or is it time sensitive where this proposal is going to go ahead in the short weeks ahead?

Hon. Mr. Wartman: — We have . . . When you say tentative plan, basically it's we're looking at our long-range planning here and trying to get a picture of what will be developing in the province. In this particular instance, it is not in this year's budget and there is time to meet with people from the community and talk to them about what the directions are, why, and hear what they have to say in terms of their concerns and hopefully be able to address those in a satisfactory way.

Mr. Bjornerud: — Thank you, Mr. Chair. Mr. Minister, I've had a letter sent to me from the town of Langenburg — and I'm not sure if you have received this, I know the department has — but they have quite a valid concern. And they are talking about No. 8 Highway on the east side of the province possibly being slated for hard surfacing or paving in the year of 2003.

And I just wondered if that was on the agenda for 2003 — No.

8 from . . . north from McNutt to No. 10 Highway.

An Hon. Member: — North of McNutt to?

Mr. Bjornerud: — North of McNutt to No. 10 Highway on No. 8, it's currently gravel.

Hon. Mr. Wartman: — The work that is going ahead at this point is to — from the Calder access down — is to designate that as a heavy-haul road south and that will allow us to take some of the traffic off 8, the heavy traffic. And it's also going to make No. 8 . . . No. 8 is designated for TMS, further work on TMS.

No. 8 at this point is still in question. We're looking at what the implications are there, whether or not that will be upgraded TMS or not. We're not . . . We don't have a conclusion. We're still looking at that.

Mr. Bjornerud: — Thank you, Mr. Minister. Well I know the residents in that area would be very happy if that was the case.

But I guess the town of Langenburg's concern — and you may not have heard this one — is that if we go from the MacNutt corner straight out to No. 10 Highway with hard surfacing, Langenburg's concern is that it will divert traffic and shopping patterns and everything else to Roblin, Manitoba. And it's probably a very valid concern because what we're doing is making it more convenient to shop out of the province than actually in the province.

And I guess my concern would be that it would be nice to have the whole project done so that people would have the choice to either go Langenburg, go north out, and maybe even go to Yorkton or Roblin.

And I guess it's kind of a Catch-22. I know the residents out there would be very happy to see that highway hard surfaced and it is a very adequate big highway, but it is gravel. So if it is in the future plans, I would hope you would take into consideration the town of Langenburg's concerns and maybe possibly we could have the whole project done in one year.

Hon. Mr. Wartman: — I appreciate the question and the concern in wanting to keep our consumer traffic patterns supporting Saskatchewan business. And I think what's important to know is that in virtually every area of the province where we're working at improving our highways, we're working very closely with the area transportation planning committees.

And they're taking . . . I mean they live in the area but they're also taking direct input from people within the area. And I think again at this point when we're talking about No. 8, the piece all the way from No. 10 south to Langenburg, there is no conclusion as to when and how that will be done but I know that those things will be taken into consideration in the planning.

The main thing that will happen at this point is that the heavy traffic will be taken off of there and moved onto the road in the centre, the Calder road, and that will allow maintenance to happen that will make that a better surface to travel on at this

point anyway — No. 8 will be. Okay.

Mr. Hart: — Thank you, Mr. Chair. Mr. Minister, in your department's news release dated December 4, tendering for spring roadwork, there was . . . part of the list of projects advertised in this news release was servicing of 10.5 kilometres of Highway 22 from Dysart to east of Cupar.

I guess my question is: when will that work be done and what will be done on that work site?

Hon. Mr. Wartman: — Thank you. The contract on that will close tomorrow and we're looking at spending \$1.4 million. That's one of the areas where we're going to be working with PSI, (Pavement Scientific International), on a TerraSim project and hopefully you'll have a good hard surface — subsurface there, and a good road before the end of the summer.

If we ever get spring they'll get started at it and it should be completed before the end of summer.

Mr. Hart: — Thank you, Mr. Minister. You certainly have eased some of the fears of the residents of that area because they noted in a recent ad that your department had in local papers that Highway 22 was not part of the ad, and they certainly were concerned that perhaps that work was going to be shelved. It's, at least the copy in one of the local papers that I have — perhaps it was a printer's error or whatever, but it certainly . . . folks were concerned.

I guess the only other question I would have: after the work is completed will that highway be capable of carrying primary weights?

Hon. Mr. Wartman: — We are building the road to handle secondary weights. The other thing that we're well aware of is that there is a lot of development in the province, a lot of pressure where there is economic development going on to accommodate primary weights.

And so when we're looking at what's going into a road like this and we're looking at that whole issue of demand around the province, it's led us to realize that we need to review . . . do some review on the issue of weights and measures and trucking. And as we're doing that piece, we will hopefully come up with some clear answers about what can be hauled on what roads.

At this point, all I can say categorically is that it is being built to handle secondary weights as it has in the past.

Mr. Hart: — Just one quick comment, Mr. Chair, if I could. I would encourage the minister when the highways are being reconstructed and resurfaced that they be done to a standard that will be capable of carrying primary weights in the future because, as the minister indicated, there is a lot of economic activity, a lot of demand, and I think we should plan for the future by building them to primary weights.

Hon. Mr. Wartman: — Thank you. Those . . . I think all I can say in this regard is that we are building the roads at this point to at least secondary weight standard and we recognize the demands. We see what the demands are for the future. We also recognize the costs.

And at this point, Mr. Chair, I would like to ask the committee rise and report progress.

The Deputy Chair: — The minister has asked the committee report progress. Is this agreed? Carried. It now being near 5 o'clock the committee stands recessed until 7 o'clock tonight.

The Assembly recessed until 19:00.