

The Assembly met at 10:00.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Kwiatkowski: — Thank you, Mr. Speaker. I rise to present a petition on behalf of citizens of northeast Saskatchewan concerned about the condition of Highway No. 23 west from Junction 9 to the town of Weekes. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take immediate action and make necessary repairs to Highway 23 in order to avoid serious injury and property damage.

This petition is signed by the good citizens of Porcupine Plain, Weekes, and Hudson Bay.

I so present, Mr. Speaker.

Ms. Draude: — Thank you, Mr. Speaker. I'm pleased to rise again today to present a petition on behalf of people who are concerned about the cigarette laws:

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

The people that have signed this petition are from Clair, Wadena, Regina, Kuroki, Choiceland, Yorkton.

Thank you.

Mr. Stewart: — Thank you, Mr. Speaker. I rise to present a petition signed by citizens concerned about the condition and capacity of the Avonlea dam. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to reconstruct and expand the Avonlea dam to meet current water supply demands, allow for sufficient water supply to accommodate proposed economic developments, and reduce flooding that has caused significant hardship in previous years.

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

I so present.

Mr. Brkich: — Mr. Speaker, I have a petition here to improve Highway 42:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to make the necessary repairs to Highway 42 in the Arm River

constituency in order to prevent injury or loss of life and to prevent the loss of economic opportunity in the area.

As in duty bound, your petitioners will ever pray.

Signed by the good citizens from Marquis and Keeler.

I so present.

Mr. Wiberg: — Thank you, Mr. Speaker. This morning my petition is in regards to the prescription drug plan in Saskatchewan. And the petition reads as follows, Mr. 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 in duty bound, your petitioners will ever pray.

Mr. Speaker, this petition has been signed by the good people of Prince Albert.

I so present.

Mr. Weekes: — Thank you, Mr. Speaker. I also have a petition from citizens concerned about the increase in crop insurance premiums. 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 is duty bound, your petitioners will ever pray.

Signed by the good citizens of Battleford, Denholm, North Battleford, Sonningdale, and Maymont.

I so present.

Ms. Harpauer: — Thank you, Mr. Speaker. Mr. Speaker, my petition today is from citizens concerned about 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 Saskatchewan residents.

And all of the signatures today, Mr. Speaker, are from the town of Simpson.

I so present.

Mr. Allchurch: — Thank you, Mr. Speaker. Mr. Speaker, I rise in the Assembly today to bring forth a petition signed by citizens of Saskatchewan concerned about the tobacco

legislation. And the prayer 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 furthermore, anyone found guilty of such an offence would be subject to a fine of not more than \$100.

As in duty bound, your petitioners will ever pray.

The signatures, Mr. Speaker, on this petition are from Spiritwood, Mildred, and North Battleford.

I so present.

READING AND RECEIVING PETITIONS

Deputy Clerk: — According to order the following petitions have been reviewed and are hereby read and received as addendums to previously tabled petitions being sessional paper no. 7, 8, 11, 18, 23, 24, and 132.

INTRODUCTION OF GUESTS

Hon. Ms. Crofford: — Thank you very much, Mr. Speaker. I'm pleased to introduce to you and through you to the legislature today some very special guests, an important delegation that's sitting in your gallery — the ambassador of Greece to Canada as well as the consul of Greece in Vancouver. And I'll ask each to stand as I introduce them.

First of all, His Excellency Leonibas Chrysanthopoulos, who is the Greek ambassador to Canada. And accompanying the ambassador is Mrs. Eleni Lianidou, consul of Greece in Vancouver.

Now, Mr. Speaker, the ambassador and his delegation arrived in Saskatchewan yesterday. He met with the Lieutenant Governor, yourself, officials from Environment regarding forest fire suppression, and with the president of the Saskatchewan Trade and Export Partnership regarding trade relationships.

And I did have both the honour and the pleasure to host a luncheon for the ambassador and Mrs. Lianidou, and also Mrs. Demir was there, and our representative from protocol. And I had an opportunity to meet the executive of a very active Greek community in Regina who does a great deal of charitable work and donates to hospitals and other things.

So I just urge all the members to join me in welcoming our special guests. And welcome to Your Excellency and Mrs. Lianidou. And thank you for coming to our province.

Hon. Members: Hear, hear!

Mr. Huyghebaert: — Thank you, Mr. Speaker. Mr. Speaker, on behalf of the official opposition, I also would like to welcome the delegation here, to the ambassador and Mrs. Lianidou.

I've had the pleasure of visiting Greece and very much enjoy

the country; although a short visit, I very much enjoyed it. And I can assure you, you have a very active Greek community here in Regina, and we have the distinct pleasure of meeting with them and enjoying their hospitality on a number of occasions.

So again, I'd like to join the minister in welcoming our special guests.

Hon. Members: Hear, hear!

Mr. Kwiatkowski: — Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to all members of the Assembly, 28 grade 7 students from Carrot River High School.

They have been away from Carrot River for a couple of days now. I understand yesterday they were in Moose Jaw and they're going to be spending the rest of the day here in Regina. And I'm hoping to have an opportunity to be able to meet with them a little later after question period. And I know that they will have lots of questions once they observe the proceedings today, Mr. Speaker.

I also have a very special request from Stan Novogrodski, the reeve of the RM (rural municipality) of Moose Range, Mr. Speaker. He wanted me to say a special hello to Jina Bradshaw and to tell you that grandpa was really hoping that you were behaving yourself.

So I look forward to meeting you a little later. And I would ask everyone to welcome these grade 7 students from Carrot River to the Assembly this morning.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

SIAST Kelsey Students Graduate

Mr. Forbes: — Thank you, Mr. Speaker. Mr. Speaker, this morning and again this afternoon students at SIAST (Saskatchewan Institute of Applied Science and Technology), Kelsey Campus will be graduating. Two hundred thirty-four graduates will be attending the morning ceremony with an expected crowd of about 1,800 people attending. This afternoon about 1,500 people will watch 233 more Kelsey grads receive their diplomas or certificates.

The Kelsey Campus is in my constituency, Mr. Speaker, so I am particularly pleased to announce to the Assembly that these Saskatchewan students have completed their studies, and to add our congratulations to those of their parents, friends, and faculty.

I am even more pleased because, as we know, the vast majority of SIAST students find work almost immediately and the vast majority of these find work in Saskatchewan. This is the good news not only for these kids but for the future of our province.

There is one other thing I would like to say, Mr. Speaker, about Kelsey. SIAST has four campuses in Saskatoon, Regina, Moose Jaw, and Prince Albert. Kelsey's been providing full-time and part-time training in about 40 professions, technologies, and

trades since 1963. It and its programs have adapted with the times, and Kelsey remains a flagship of post-secondary learning.

About 4,000 full-time students are enrolled in its programs annually, as well as about 700 in part-time programs and 11,000 extension programs. More than 400 faculty and staff on campus provide instruction and contribute to the life and economy of my city.

Mr. Speaker, our best wishes go to these graduates as they take this important step in their professional lives. Thank you.

Some Hon. Members: Hear, hear!

Communities Assist in Fighting Archerwill Fires

Ms. Draude: — Thank you, Mr. Speaker. Mr. Speaker, this week many communities in Saskatchewan awoke not only to nerve-racking winds but to the smell of smoke in the air. The village of Archerwill in my constituency, population of 230, not only survived as they fought four separate fires and saved the property and lives of their neighbours, but they stand proudly as an example of how working together bonds a community together.

The fire marshal and a number of firefighters worked through three days and two long nights with the help of water bombers, helicopters, five-men crew from DNR (Department of Natural Resources), and many, many reinforcements from neighbouring towns and villages. Men and women from the communities of Rose Valley, Tisdale, Naicam, and Spalding pitched in to help the residents of Archerwill. Additional offers of help came from Kelvington and Porcupine Plain. Remember in the meantime each of these communities had fires of their own to contend with.

I saw the fire myself Tuesday as I sat in the smoke in the yard of a family as they watched the fire leaping towards their property. The grandmother said, I worked all my life to build this place and I'm not leaving; please don't let it burn.

I was totally overwhelmed seeing all those volunteer firefighters work together without one word of complaint or acknowledgement that they were taking unpaid time off work, that their seeding equipment was shut down, and that their normal day-to-day activities were put on hold as they helped to contain the blaze.

Mr. Speaker, one of the workers at the site told me that there were over 50 farm trucks with water tanks in the back at the scene. The seniors from Archerwill were taken to the hall in Rose Valley where the community ladies fed them and stayed with them till they could return to their own homes.

On Wednesday the firefighters from Spalding arrived not only with equipment and personnel but they brought food that the ladies in Spalding had prepared for the whole crew.

Mr. Speaker, living in rural Saskatchewan has many challenges — so many so that city people often ask, why do you stay there? Why don't you move into the city where you have all the amenities?

Well, Mr. Speaker, the amenities that help us in rural Saskatchewan can't be found in a mall or in a theatre or in a park. They are found within the hearts of people who know that their neighbours are their friends, that know that there can be no line in the sand, and there's no limit to what you'll give when your friends need help.

The RM administrator of Barrier Valley told me that disasters tend to pull people together. I know that's true. I also know that through the heat of the fire and the anxiety in the hearts of volunteer firefighters, there's a happiness and reaffirmation in the fact that lending your neighbours a helping hand just feels good and it gives value to your own life.

So on behalf of all the members, I offer congratulations and a big thank you to all the volunteer firefighters in Saskatchewan.

Some Hon. Members: Hear, hear!

Edge Entertainment

Mr. Addley: — Thank you, Mr. Speaker. Mr. Speaker, in my constituency is a company that has in the last five years grown by — get this, Mr. Speaker — by 5,253 per cent. How's that for growing Saskatchewan?

Edge Entertainment and President David Doerksen are the creators of the recent thriller films, *Dead Even* and *Black Light*, and of family films, *Summer of the Monkees* and *The Impossible Elephant*. And my family and I have seen *Summer of the Monkees*, Mr. Speaker, and it's good. What's more, it's good and it was shot in Saskatoon. If you want proof that the film industry is thriving in our province, look no further.

Edge Entertainment was recently named the 15th fastest growing firm in Canada by *PROFIT, The Magazine for Canadian Entrepreneurs*. The magazine looks at revenue growth over the past five years. Edge went from \$121,237 in 1996 to almost \$6.5 million last year — hence the 5,000 percentage number.

And, Mr. Speaker, I have to mention one more fact about this remarkable company and its remarkable achievement. To what does President Doerksen attribute their growth? First of course to really hard work and to good planning. Also he says building a relationship with the banks has been crucial and the involvement of the province of Saskatchewan two years ago made a huge difference. Now thanks to their success, banks are approaching them.

(10:15)

I'm sure all members and I congratulate President David Doerksen and Edge Entertainment for their continued success into the future.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Great Canadian Geography Challenge

Ms. Eagles: — Thank you, Mr. Speaker. Mr. Speaker, I stand

today to recognize a grade 9 student at the Estevan Comprehensive School. Toby Henneberg arrived home from Ottawa on Tuesday, May 21. Toby had been in our nation's capital to compete in the annual Great Canadian Geography Challenge. This was his second trip to the national finals.

Toby said he finished in 11th or 12th position in the competition that pitted the best geography and history students across Canada against one another for the title. The top 10 finishers advanced to the finals. So Toby did very well, Mr. Speaker.

As this contest is only open to students in grade 7 to 9, Toby will not be eligible to compete next year.

Mr. Speaker, I ask all members to join me in congratulating this bright young man. Estevan and area are very proud of your accomplishments, Toby. Thank you.

Some Hon. Members: Hear, hear!

Joël Fafard Band

Mr. Trew: — Thank you, Mr. Speaker. The Joël Fafard Band has advanced to CBC's (Canadian Broadcasting Corporation) national music contest, The Great Canadian Music Dream.

From among 900 entries in Alberta, Manitoba, Northwest Territories, and BC (British Columbia), the Joël Fafard Band has been chosen as one of 15 performers that's made the cut and is now moving on to the next level of competition.

Fafard and his band include drummer Jody Mario; keyboardist Jeff McLeod, who incidentally lives in the great constituency of Regina Coronation Park; bass player Darcy Jonstone. This crew is going to take a break from the studio to travel to Edmonton for the live auditions of the CBC contest which is held tomorrow, Mr. Speaker.

Quoting from the bio of Joël Fafard, I quote:

A fiery blend of urban and rural music that is forging a new voice for the prairies. Fafard's music is world class, but his heart and home are deeply rooted in his home, Saskatchewan's Qu'Appelle Valley.

The Joël Fafard Band's latest CD, "Head Smashed In", is a rich, spontaneous blend of folk, pop and blues; a musical brew of Fafard's roots. From Canada to New Zealand, Fafard developed his craft travelling the world (and) performing his eclectic verse.

Mr. Speaker, I invite all members of the House to join with me in congratulating all members of the Joël Fafard Band for their accomplishments and wishing them the very best of luck in the future.

Some Hon. Members: Hear, hear!

Saskatchewan Party Fundraising Event

Mr. Stewart: — Thank you, Mr. Speaker. Mr. Speaker, it's my privilege to rise in the Assembly today to tell my colleagues

about a huge event last night in the city of Saskatoon. Not only can the Saskatchewan Party and its leader fill a room in Calgary, we can do the same thing in Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Stewart: — Last night's leader's dinner was held and over 700 people attended. People from all walks of life in Saskatoon came out to hear our leader, the member from Rosetown-Biggan, spread the word about the Saskatchewan Party's plan to grow the province by 100,000 people in 10 years.

Mr. Speaker, this is the largest event of its kind for the Saskatchewan Party in the city of Saskatoon, and our support in the city continues to grow and grow impressively, something I'm sure the members opposite are quite nervous about.

Mr. Speaker, while the Premier charges \$25 to hold functions to speak about the myriad of problems facing his NDP (New Democratic Party) government, the Saskatchewan Party fills a room with over 700 in Saskatoon; residents who paid \$125 each to hear our positive message of hope and optimism.

And, Mr. Speaker, while we continue to pack rooms in Alberta and bring money back to Saskatchewan to help beat the NDP, we will also continue to hold jammed-to-capacity dinners in Saskatchewan and let people know that it's time for a change. It's time for a change in government, time to boot out the NDP and usher in a bright new future. It's time to grow Saskatchewan, Mr. Speaker.

Thank you.

Some Hon. Members: Hear, hear!

Royal Canadian Mounted Police Gala Event

Hon. Mr. Osika: — Mr. Speaker, I have something truly positive to report to the House. As a 25-year veteran of the Royal Canadian Mounted Police, I am pleased to inform the House, Mr. Speaker, this weekend Regina is home to a gala event.

This Saturday marks the annual RCMP (Royal Canadian Mounted Police) charity ball held at the academy's historic drill hall. Instead of perspiration from marching, there'll be perspiration from dancing. This gala event is an evening of friendship, fine dining, and entertainment for a worthwhile cause.

This year the RCMP have chosen to host the event with the proceeds being received by the Saskatchewan Deaf and Hard of Hearing Services Inc., a provincial charity dedicated to providing services to enhance the quality of life for Saskatchewan citizens across the province.

In fact, Mr. Speaker, the proceeds will be used directly to support the Foster Pride in Our Youth program. Often in this House we ask if there is anything more important in this province than our youth. Well the Saskatchewan Deaf and Hard of Hearing Services Inc. has taken this to heart with this program.

The Foster Pride in Our Youth program empowers young people to overcome challenges and barriers they face in their daily living at school and at home. The youth learn to take pride in their independence, allowing them to become equal and active participants in the community.

I'd ask all members to join with me in commending the Royal Canadian Mounted Police and Saskatchewan Deaf and Hard of Hearing Services Inc. for this event and for the service both provided to Saskatchewan people and Saskatchewan communities.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Role of Privacy Commissioner

Mr. Heppner: — Thank you, Mr. Speaker. My question, Mr. Speaker, is for the Minister of Justice.

Last week the Saskatchewan Party asked the Privacy Commissioner to conduct a review of all government departments, agencies, and Crown corporations to evaluate the current safeguards protecting the privacy of confidential information and make recommendations for improvements.

The Privacy Commissioner has indicated he will not conduct such a review partly because the province has launched its own investigation, partly because there's an ongoing RCMP investigation, and partly because the Privacy Commissioner says he doesn't have the authority to conduct a real investigation.

Mr. Speaker, why would the NDP pass a privacy legislation that doesn't give the Privacy Commissioner the ability to conduct an effective investigation into the misuse of confidential information by the government?

Hon. Mr. Axworthy: — Thank you, Mr. Speaker. Mr. Speaker, as I think all members know, the Privacy Commissioner, Mr. Gerrand, is a lawyer with the utmost integrity and respect of his colleagues and of people in this House, and indeed, Mr. Speaker, across the province.

Mr. Gerrand has chosen to await the results of the RCMP investigation and to await the independent review which the government has ordered. And, Mr. Speaker, it's my view that the decision of the Privacy Commissioner, the fact that Mr. Gerrand is a person of utmost integrity, requires us to accept his judgment and to await the reviews so that he can then make his decision.

Mr. Heppner: — Thank you, Mr. Speaker. The issue is that this NDP government, Mr. Speaker, has muzzled a man of integrity. That's the problem.

Mr. Speaker, the Saskatchewan Party's request for an investigation into the release of . . .

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

Mr. Heppner: — Thank you, Mr. Speaker. Our request for an investigation into the release of confidential personal information by government employees, the Privacy Commissioner said he could not effectively carry out an investigation because The Privacy Act didn't give him the authority.

Mr. Speaker, that's the same thing, the same thing he said about the NDP's conflict of interest legislation earlier this year after the former NDP Agriculture minister, Eric Upshall, got off on a technicality, Mr. Speaker, even though he clearly broke provincial conflict of interest laws.

Mr. Speaker, will the NDP amend its flawed privacy legislation to give the Privacy Commissioner the authority to effectively investigate any future unauthorized release of private and confidential information by the government?

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — Thanks, Mr. Speaker. Mr. Speaker, I would, if I may, advise the member to be careful about casting aspersions about the integrity of Mr. Gerrand.

He has . . . Mr. Speaker, he's made his decision based upon what he considers the best process to follow. It's important not to have too many investigations taking place all at the same time, Mr. Speaker. And it's important to ensure that the work done by the RCMP and the work done by the forensic audit, Mr. Speaker, is available to the Privacy Commissioner so that he can make conclusions based upon the facts.

And I think the member second-guessing the Privacy Commissioner, an independent officer of this court, is not the appropriate course to follow.

Some Hon. Members: Hear, hear!

Workers' Compensation Board

Mr. Weekes: — Thank you, Mr. Speaker. Mr. Speaker, my question's for the minister responsible for Workers' Compensation Board. According to its 2001 annual report, the WCB (Workers' Compensation Board) lost a whopping \$55 million last year. On top of that the WCB was forced to make an actuary adjustment of \$69 million. And just to round things out, the WCB took a page from the NDP government's bag of fiscal tricks by draining its \$49 million injury fund.

Mr. Speaker, that's how things went in the first year with former NDP MLA (Member of the Legislative Assembly) John Solomon as the Chair of WCB.

My question to the minister is this: what happened? How could John Solomon mismanage the WCB so badly that it lost \$55 million in a single year? And why was the WCB forced to make a \$69 million actuary adjustment last year?

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — Well, Mr. Speaker, in case the member opposite hasn't noticed when he says what happened last year, there was a near collapse in investment markets across . . . and

around the world. So in case he hasn't noticed that had a great effect on the revenue . . .

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

Hon. Ms. Higgins: — So, Mr. Speaker, in case the member didn't notice, there was a drop in markets worldwide last year and this in fact affected the revenues of the WCB here in Saskatchewan.

But, Mr. Speaker, the Workers' Compensation system in Saskatchewan system is fully funded and still has a surplus of \$50 million, and we still have the second lowest rates across Canada.

Some Hon. Members: Hear, hear!

Mr. Weekes: — Thank you, Mr. Speaker. What the minister should accept is the total incompetence of the new chairman.

Mr. Speaker, the WCB employs outside actuaries to value its future liabilities. In 2000, actuaries reported the present value of all WCB's future liabilities at \$599.926 million, and in 2001, these same auditors valued WCB's future liabilities at \$665.839 million. Then they threw in a \$3 million accounting adjustment for good measure.

Mr. Speaker, why the massive difference in liabilities in just one year? What changes took place at the WCB that led the actuaries to make a huge \$69 million adjustment?

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — Mr. Speaker, every year an actuarial review is done on the Workers' Compensation Board and an adjustment is made at the end of that year. By requirements of the Act, Mr. Speaker, WCB needs to remain 100 per cent funded. So the actuarial review is done yearly to make sure that that is accomplished and maintained.

Mr. Speaker, our Workers' Compensation Board is fully funded and still retains a surplus. Some of those surpluses have been drawn down to cover the shortfall for this year, but we still maintain the second lowest rates in the province's rate across Canada.

Some Hon. Members: Hear, hear!

Mr. Weekes: — Mr. Speaker, the actuaries didn't change the last year at WCB. The methods they used to evaluate WCB's liabilities didn't change last year, but there was a massive \$69 million adjustment to WCB's future liabilities. Why?

And here's another interesting change. Last year, WCB ran . . .

(10:30)

The Speaker: — Order, please. Order. I must be able to hear the question.

Mr. Weekes: — Thank you, Mr. Speaker. And here's another interesting change. Last year WCB ran a surplus of more than \$40 million. But in 2001 WCB piled up an operating loss of

more than \$55 million. Mr. Speaker, what happened at WCB that triggered this 95 million nose-dive in WCB's financial performance?

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — Well, Mr. Speaker, when you look at the investment markets over the last year, and I hate to remind the members opposite, but September 11 — does that ring a bell maybe with them? Markets fell, investments . . .

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

Hon. Ms. Higgins: — Thank you, Mr. Speaker. Obviously I hit a sore spot. They must have just looked at their mutual statements or their pension plan statements.

Mr. Speaker, an article in *The Globe and Mail*, April 11 of this year, talks about Canada's 100 largest pension funds lost money last year for the first time in at least 22 years. Mr. Speaker, in case the members opposite haven't noticed, Saskatchewan is involved in world markets and these things do have an effect on companies and businesses in this province.

The Saskatchewan WCB is fully funded, provides very good benefits and their rates are the second lowest in provinces right across Canada.

Some Hon. Members: Hear, hear!

Mr. Weekes: — Thank you, Mr. Speaker. I'd like to remind the minister that the economies of North America and Canada have recovered since 9/11, everywhere but in Saskatchewan. Mr. Speaker, according to the WCB's 2000 annual . . .

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

Mr. Weekes: — Mr. Speaker, according to the WCB's 2001 annual report part of the reason for the massive losses this year was a huge increase in health care costs. In fact according to the WCB's own report, health care expenses rose by a whopping 35 per cent last year. And yet the WCB's annual report also says they estimated annual increases in health care costs to be in the range of just 1.5 per cent.

Mr. Speaker, how is it that the WCB's health care costs went up by 35 per cent last year when their own annual report projects health care costs increase of just 1.5 per cent?

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — Mr. Speaker . . .

The Speaker: — Order, please. Order.

Hon. Ms. Higgins: — Well, Mr. Speaker, when the member from Redberry Lake talks about the markets recovering, I would just urge him that the annual report that was tabled a couple of weeks ago in this House went until December 31, 2001, so when he wants to look for recoveries, he should look next year when I table the report then.

Some Hon. Members: Hear, hear!

Mr. Weekes: — Mr. Speaker, the WCB incurs a significant expense in the current year and a large ongoing liability for payment of claims to workers injured on or before the end of 2001 calendar year. This is known as benefits liabilities. And in 2001, WCB benefits liabilities went up by almost \$70 million. Why? What policy changes, what changes in expenses resulted in such a massive increase in the future liabilities WCB incurred on its existing compensation claims?

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — Mr. Speaker, as part of the process that goes on annually at WCB, an actuarial review is done every year-end to make sure that the money is set aside to maintain benefits to injured workers into the future. That's the way the WCB has been always run, Mr. Speaker. This adjustment comes yearly.

But, Mr. Speaker, we provide very good benefits here in Saskatchewan, provide very good rehab, vocational training, diagnostics for the injured workers here in Saskatchewan. Our Workers' Compensation in Saskatchewan is fully funded and still retains a \$50 million surplus.

When you look at British Columbia, Mr. Speaker, they had a 287-dollar-million shortfall . . . million-dollar shortfall last year. New Brunswick was around 36 million, Mr. Speaker. Our Workers' Compensation Board, I repeat, is fully funded, still retains a surplus, and we have the second lowest rates across Canada.

Some Hon. Members: Hear, hear!

Mr. Weekes: — Mr. Speaker, the WCB lost \$55 million last year . . .

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

Mr. Weekes: — Thank you, Mr. Speaker. The WCB lost \$55 million last year. The WCB drained its 49 million injury fund last year. The WCB was forced to make a \$69 million adjustment to its future liabilities last year. The WCB incurred a 35 per cent increase in health care cost last year when they forecast an increase of just 1.5 per cent. In one word, Mr. Speaker, brutal. And now, thousands of businesses around Saskatchewan are wondering whether their WCB rates will be going up.

Mr. Speaker, will the minister assure business owners across Saskatchewan that the NDP's mismanagement of the WCB last year would not result in rate increases this year?

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — Well, Mr. Speaker, same question, same answer. WCB in Saskatchewan is very well run. They're 100 per cent funded, have a \$50 million surplus still in the reserve funds. Mr. Speaker, they provide excellent service to injured workers, competitive rates right across . . . some of the best rates across Canada and still maintain their 100 per cent funded status.

Some Hon. Members: Hear, hear!

Mr. Weekes: — Thank you, Mr. Speaker.

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

Mr. Weekes: — Thank you, Mr. Speaker. Well since the minister hasn't answered the first six questions, I do have one more.

Some Hon. Members: Hear, hear!

Mr. Weekes: — Mr. Speaker, if Mr. Solomon has been mismanaging funds at the WCB, how does the minister explain the difference in the health care costs from the estimated 1.5 per cent, which they estimated, to a whopping 35 per cent increase? Why such a difference?

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — Well, Mr. Speaker, first off I'd like to thank the member opposite for giving me the opportunity to be able to stand here and talk about how good of a job WCB is doing.

Some Hon. Members: Hear, hear!

Hon. Ms. Higgins: — The Saskatchewan Workers' Compensation here in Saskatchewan is fully funded with a \$50 million surplus in reserve funds. They have more than enough assets to cover injuries that are on their case files, Mr. Speaker. They're the second lowest employer premiums in any of the provinces across Canada. And unlike other provinces, Mr. Speaker, we have not cut benefits to injured workers and programs to maintain those very good rates. Mr. Speaker, that is good management in anyone's books.

Some Hon. Members: Hear, hear!

Ethanol Industry

Mr. Wall: — Thank you, Mr. Speaker. My question is for the minister responsible for ethanol.

Yesterday we raised concerns in this House about the government's apparent intention to enter an exclusive deal for ethanol production in the province of Saskatchewan. The minister went outside the Assembly and said — get this, Mr. Speaker — he said, it was his preference that the government not sign an exclusive deal, Mr. Speaker. That's what the minister responsible said yesterday outside the House.

Well just to update the minister. He should know that if it's his preference the government not sign an exclusive deal with any company with respect to ethanol, then his preference should take priority over the preference of Frank Hart at the Crown Investments Corporation.

Some Hon. Members: Hear, hear!

Mr. Wall: — Mr. Speaker, he's the minister; Mr. Hart is the civil servant.

So the question to the minister is this: if that's his preference, if

that's what he thinks the right thing to do is, will he stand in his place today, commit to go across the pond over to College Avenue, walk into Mr. Hart's office and tell him there will be no exclusive deal with any company that would hurt the long-term prospects of the ethanol industry in Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Mr. Speaker, if the member opposite will lend me his ear for a moment . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — . . . I fully intend to explain how the process works. I am the minister responsible for ethanol development in this province. I do have a preference that we be able to negotiate with private sector investments . . . investors who come to this province who indicate their willingness to put capital . . . risk capital into what I believe to be a very good and positive economic development opportunity in rural Saskatchewan.

I will say to the member opposite as well, Mr. Speaker, I have met with Commercial Alcohols who have indicated that they're in discussions with the community of Melville. They have been, contrary to what the member opposite said, in conversation with officials from Crown Investments Corporation, sir.

I have met with Commercial Alcohols, and if they intend to come to this province and commit to an investment of ethanol development that will create an intensive livestock industry growth in this province, we welcome them here as well, sir.

Some Hon. Members: Hear, hear!

Mr. Wall: — Mr. Speaker, the minister didn't answer the question. But he repeated, he repeated his position that it's his preference — and he's the minister responsible — it's his preference that there be no exclusive deal with any US (United States) company. But apparently he, like the rest of the ministers over there, is afraid of Frank Hart and the officials over at the Crown Investments Corporation.

So, Mr. Speaker, again, this time though the question is for any of the ministers over there, is there any ministers on that side of the House that will stand up to Frank Hart and prevent an exclusive deal with any company that would hurt the long-term prospects of ethanol development in the province of Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Mr. Speaker, I want to send the member from Swift Current home with some comfort for the weekend because I know this is a burning issue in his heart. My preference as minister responsible for ethanol development will prevail. And I want to say as well, Mr. Speaker, what will prevail is some sound, positive economic investment in this province.

Mr. Speaker, I want to say that we have the opportunity to attract the successful businessman, Mr. Pat Broe, who has been maligned by that member, who is a . . . (inaudible) . . .

businessman, not only in the United States but here in Saskatchewan and in Manitoba.

And I want to say, Mr. Speaker, this guy has a track record of very successful investments unlike the curator of the guitar museum from Swift Current, the economic development guru for the Saskatchewan Party, who can't even manage \$200,000 of public funds in a little piddly museum in Swift Current, Saskatchewan.

Mr. Speaker, I'll side with Pat Broe any day.

Some Hon. Members: Hear, hear!

(10:45)

Mr. Wall: — You know, Mr. Speaker, every time this minister doesn't have an answer for this Assembly and taxpayers, he gets personal. He kind of gets grumpy and he gets personal. He's a . . . frankly, he's quite an angry man, Mr. Speaker. And I think I can understand why he's angry, Mr. Speaker. It goes back a long ways.

He's angry because he backed the wrong man in the NDP leadership race, Mr. Speaker. He's still angry because as the House Leader he actually lost a vote on his own department estimates, if you can believe it, Mr. Speaker.

And he's angry . . . and he's angry because he's taken the good work of the member for Regina South on ethanol and made a mess of it in the province of Saskatchewan, Mr. Speaker. That's why he's angry.

But all the personal attacks and all of the anger doesn't cover the fact that we still don't know conclusively what the position of the government is. So we'll give him a chance to say it. Is it his position and the position of the NDP that there will be no exclusive deal with respect to ethanol production in the province of Saskatchewan with any company? Will he stand up to Frank Hart? Will he answer the question, Mr. Speaker?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Now, Mr. Speaker, I want to give some comfort to the member opposite as well that I'm really not angry. What I am . . . what I am is I am displaying a considerable degree of frustration with that member and the reason is, sir, because people in his constituency and in the member from Shaunavon and in the member from Melville and in the member from Maple Creek and the member from Wood River — all of those people their constituents are coming together with the private sector companies saying, we want to create some job opportunities for people in our constituencies. We want to develop an ethanol industry. We want to develop our intensive livestock industry that's tied to that and create jobs in Saskatchewan. We want to feed cattle here in this province. We want to build packing plants.

And they come to this province and they come to the government and they say, will you work with us to make it happen? And, Mr. Speaker, we say yes. And who says no, Mr. Speaker? The same people who are representing the people who are coming to us saying, would you support us in putting this

industry together to make it grow, to make it work, to create jobs, to create wealth, to create profit for Saskatchewan people.

Mr. Speaker, it's not anger; it's frustration that that member would every day stand up and play politics with economic development in rural Saskatchewan. That's what it is, Mr. Speaker.

Some Hon. Members: Hear, hear!

The Speaker: — I recognize the Minister of Finance.

Hon. Mr. Cline: — Mr. Speaker, with leave to introduce a guest.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Cline: — Thank you, Mr. Speaker. I'd like to introduce to you and through you to all members of the House, the Hon. Greg Selinger, who is sitting behind the bar on this side of the House.

He is a former city councillor in the city of Winnipeg. He was born in Regina and raised in the Elphinstone area until age 12 when he moved to Winnipeg. He is a university professor, a former city councillor, elected with the New Democratic Party in the last Manitoba election and was immediately appointed to be the Minister of Finance in Manitoba, and I believe now has delivered two or three budgets.

He is a very distinguished person doing a very good job in the province of Manitoba. And I'd like all members to join with me in welcoming Mr. Selinger to our legislature.

Hon. Members: Hear, hear!

Hon. Mr. Nilson: — I'd like to have leave to introduce a guest.

Leave granted.

Hon. Mr. Nilson: — Mr. Speaker, it's also my pleasure to introduce through you to all members of the legislature, Mr. Dave Chomiak, who is the Minister of Health in Manitoba. And Dave is a long-standing New Democrat but also he's a great friend of Saskatchewan.

He comes here regularly to visit with many people in this province who are his good friends. And we very much appreciate the kind advice and counsel that he's given over the years to all of us on this side of the House. And we look forward to working with our colleagues from Manitoba for many, many years to come.

Hon. Members: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 54 — The Urban Municipality Amendment Act, 2002

Hon. Mr. Osika: — Mr. Speaker, I move that Bill No. 54, The

Urban Municipality Amendment Act, 2002 be now introduced and read for the first time.

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

Bill No. 55 — The Rural Municipality Amendment Act, 2002

Hon. Mr. Osika: — Mr. Speaker, I move that Bill No. 55, The Rural Municipality Amendment Act, 2002 be now introduced and read for the first time.

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

Bill No. 56 — The Northern Municipalities Amendment Act, 2002

Hon. Mr. Osika: — Mr. Speaker, I move that Bill No. 56, The Northern Municipalities Amendment Act, 2002 be now introduced and read for the first time.

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

STATEMENT BY THE SPEAKER

Unparliamentary Language

The Speaker: — Members, before orders of the day I would like to bring an item to the attention of the members. I've had an opportunity to reflect upon a statement made in the House yesterday regarding the use of language and I want to bring it to the attention of members.

But before I do that, I would like to refer members to Beauchesne's, 6th edition, page 151, the section 494 where it refers that:

It is not unparliamentary temperately to criticize statements made by Members as being contrary to the facts; but no imputation of intentional false-hood is permissible.

Moreover, back one page on page 149, section 491:

The Speaker has consistently ruled that language used in the House should be temperate and worthy of the place in which it is spoken.

I refer members to a statement made yesterday by the member from Prince Albert Northcote in which he mentioned that, and that I quote:

The Saskatchewan Party can stand in this House and misrepresent the truth.

Members, the implication of that statement I believe is that, I interpret, that members are doing something dishonourable. And I think that our objective in the House here is to have debate which is passionate and a debate about the facts, without implying any type of improper action on the part of any member.

I'd like us to raise the bar and maintain the dignity of this Assembly. So I would simply ask at this time that the member not use that statement again and I ask others not to use it either. And I thank members in advance for their co-operation on that.

Hon. Mr. Lautermilch: — Mr. Speaker, with respect to your comments and respect to your ruling, I would withdraw those comments.

Some Hon. Members: Hear, hear!

ORDERS OF THE DAY

WRITTEN QUESTIONS

Mr. Yates: — Thank you, Mr. Speaker. I'm very pleased today to stand on behalf of the government and respond to written question no. 203.

The Speaker: — Response to 203 is tabled.

Mr. Yates: — Thank you, Mr. Speaker. We'll convert for debates returnable.

The Speaker: — 204 is converted to debates returnable.

GOVERNMENT ORDERS

COMMITTEE OF THE WHOLE

Bill No. 11 — The Urban Municipal Administrators Amendment Act, 2002

Clause 1

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

Hon. Mr. Osika: — Thank you, Mr. Chairman. I'm pleased to introduce Mr. Ken Kolb, who is our senior policy analyst, to assist me in responding to I know what will be some questions with a great deal of wisdom from members opposition. Thank you.

(11:00)

Mr. Bjornerud: — Thank you, Mr. Chair. As I left the meeting last night I thought I wouldn't have the opportunity to have you chair another meeting hopefully for another week. And lo and behold here you are again, Mr. Chair. So I welcome you.

Mr. Minister, I want to welcome your official here today and probably not . . . really don't have many problems with this Bill, probably a couple of dozen questions would suffice.

Mr. Minister, the urban administrators, I believe, are quite happy with what's in this Bill. But were there other things that they had asked you to change that aren't addressed in here or did you address all of their concerns?

Hon. Mr. Osika: — Mr. Chairman, I'm very pleased to respond to the hon. member that all of their concerns were taken into account and addressed when this Act was put

together.

Mr. Bjornerud: — Thank you, Mr. Minister. Mr. Minister, the UMAAS (Urban Municipal Administrators' Association of Saskatchewan) discipline committee has been changed now to an ethics committee. Can you explain to me what the difference that will make and what changes from the old way to the new way this will include?

Hon. Mr. Osika: — Mr. Chairman, the changes will not create a significant change with respect to the responsibilities. It's merely a change to update the committee to reflect what the current responsibilities . . . rather than a discipline committee an ethics committee was felt to be more appropriate by the administrators and I believe that's probably . . . the language itself is . . . indicates ethics as opposed to disciplinary body.

Mr. Bjornerud: — Thank you, Mr. Minister. Mr. Minister the only other question I really have on this Bill is, what it does now is it creates the ability for the administrators to create new classes for themselves. Can you maybe just give me the definitions of what the new classes are from what the old way was with the administrators' classification?

Hon. Mr. Osika: — Mr. Chairman, currently what they have is a standard and an advanced class of membership. And what they have asked for is to include an alumni — an honorary membership class for their association.

Mr. Bjornerud: — Thank you, Mr. Minister. I think that's all the questions we have at this time on this Bill and we would let it go at this point.

Hon. Mr. Osika: — Mr. Chairman, I want to thank the member opposite for the questions with respect to this Bill. And again, as I pointed out earlier, this Bill will hopefully assist the administrators in their efficient and effective operation of their duties and responsibilities to their communities and to their citizens. So I want to thank the hon. member.

Clause 1 agreed to.

Clauses 2 to 7 inclusive agreed to.

Schedule agreed to.

The committee agreed to report the Bill.

Bill No. 10 — The Tax Enforcement Amendment Act, 2002

Clause 1

Hon. Mr. Osika: — Mr. Chairman, I'm pleased to report that Mr. Ken Kolb is very capably here to assist me in responding to the hon. members' questions.

Mr. Bjornerud: — Thank you, Mr. Chair. Mr. Minister, when was the last time this dollar amount was adjusted or changed? How long have we had that original amount?

Hon. Mr. Osika: — Mr. Chairman, the specific number of years I don't have. I can certainly obtain that for the member. It

has been at least a decade, at least 10 years that this Act has been in effect under these conditions. And the need to update and change to make it easier for municipalities to function was the consideration.

Mr. Bjornerud: — Thank you, Mr. Minister, and as you said — and that was my next question — if the municipalities had actually requested this change, did the municipalities also request that this go now . . . be moved from the floor of the legislature into regulations?

Hon. Mr. Osika: — Mr. Chairman, yes to the member. As a matter of fact, it was requested because of the . . . to move into regulations because of the assessments being every four years, it could expedite any changes with respect to tax enforcement issues.

Mr. Bjornerud: — Well thank you, Mr. Minister. Mr. Minister, I understand why the administrators and the municipalities were asking for that part of it to be changed.

I have grave concerns when we take something out of the floor of the legislature and put it into regulation as I think as the member is well aware. We've all had concerns from time to time when something is taken out of the public eye and can be adjusted or changed with absolutely no one else knowing, but probably at the whim of the government, maybe unbeknown even to the administrators of the municipalities out there. What is your opinion, Mr. Minister, on that?

I mean, I think people out there, if they understood how this actually works, at least when these changes come to the floor of the legislature we have the opportunity to debate them and in the final outcome probably the government will have its way as usual because of the numbers.

But, Mr. Minister, when something is taking off the floor of the legislature without the chance for debate and put into regulations — as we've seen a number of times before — I feel that democracy has lost a bit of its value and that things could be slid under the table. We can come back in next fall, Mr. Minister, and have had changes made to this exact piece of legislation, have had no debate on it, the municipalities themselves may have had . . . not wanted what has come with the changes and once again it's done behind closed doors. What . . . where do you come on that, Mr. Minister? What is your feeling?

Hon. Mr. Osika: — Mr. Chairman, that is an excellent question from the hon. member. I now want to assure the hon. member and this House that before any changes are made with respect to the Act, there will be consultation, direct consultation with SUMA (Saskatchewan Urban Municipalities Association), SARM (Saskatchewan Association of Rural Municipalities), the urban municipality association and the rural municipality association administrators before there are any changes.

And as the member will appreciate, we will be looking for their support to any of these changes. And if there is objection to them, if there's a need for debate, then it'll occur at that time. There will not be any changes imposed without that consultation process.

Mr. Bjornerud: — Well thank you, Mr. Minister, and thank you for those assurances.

But as we've seen in the last number of years with ministers in municipal government, we've had I believe five in the last number of years — four, at least. And the next minister comes in has — you know, you've made that commitment to me today and I honestly believe that you're sincere in that — but we can get a new minister in here with a new agenda, a new direction and we lose the ability and . . . the ability to debate the changes.

And probably, you know, nine out of ten times we would agree with the changes that are being made, especially when the administrators and the municipalities are asking for them. But I guess if you're getting the drift of what I'm saying, Mr. Minister — and I honestly believe you agree with that — that when that's taken out of the possibility to debate changes, whether it's going through as . . . The last Bill for an example. We agreed with the changes you made. We had also checked with the administrators and we had no problem with that. And my feeling is that's how this place should work.

But the minute we take possible changes to something like this and put them behind closed doors, I have a problem. And I think, to be honest with you, if the people of Saskatchewan could understand what was happening, they also would have problems, Mr. Minister.

So I really have no problem with any other part of the Bill. I have no problem with the figure. But I want to make sure that we're on the record today as opposing the way this is being done and putting . . . put into regulations, Mr. Minister.

Hon. Mr. Osika: — Mr. Chairman, I appreciate the member's comments and concerns as expressed on behalf of the people that will be affected or may be affected in the future by this legislation.

I do want to point out the reason, the purpose of this amendment was to give the province the ability to address the needs of the municipalities in a timely and an expedient manner. If the value remains in the legislation, the Act would have to be opened and go through the legislative amendment process potentially each time that a reassessment occurs.

So it is my hope that when it comes time to making any changes to values, that it will be as a result of approval, subsequent to consultations with the appropriate administrators, the people that do represent their communities and work on their behalf. That is a commitment I can give you that the consultation process will occur. And I refer to it as part of the due diligence in ensuring that our co-operative spirit and efforts with our municipal governments and our governance bodies are concrete and we work together for the mutual benefit of all the citizens.

Mr. Bjornerud: — Well thank you, Mr. Minister. And I thank you for your reassurances. I just hope that future ministers will abide by that.

Might be just a sideline to this, Mr. Minister, but it might be more reason to have fall sessions in this legislature. If we had a fall session and a spring session, we could bring everything back out of regulation, put it in front of the people because we

wouldn't be holding them up for a year at a time. So something to keep in mind, Mr. Minister, while you're on that side of the House.

So at this point, Mr. Minister, you have heard our concerns. We would let this Bill pass on then.

Hon. Mr. Osika: — Thank you. Once again, Mr. Chairman, I want to thank the member opposite for raising some valid concerns on behalf of the people of this province that he represents, and all the province. And again I would like to say it is my hope that by enacting this legislation it will be beneficial for those that accept the responsibility of governing and administering on behalf of the people of this province and their communities.

Clause 1 agreed to.

Clauses 2 to 5 inclusive agreed to.

The committee agreed to report the Bill.

(11:15)

**Bill No. 5 — The Apprenticeship and Trade
Certification Amendment Act, 2002**

Clause 1

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

Hon. Mr. Melnychuk: — Thank you, Mr. Chair. To my right is Wayne McElree, the assistant deputy minister of Learning, and to my left is Doug Muir, the director of the Apprenticeship Commission.

Mr. Hart: — Thank you, Mr. Chair. Mr. Minister, welcome to your officials that you have here with you today. We just have a number . . . a few questions that we have with regards to Bill 5.

I guess probably my first question would be the . . . just the composition of the board that . . . of the commission. This amendment does make some changes to . . . will allow for some changes to the makeup of the board. I wonder if you could briefly explain how the current board members are appointed to the board and what's envisioned with the amendments under this Bill as far as the composition of the board in the future.

Hon. Mr. Melnychuk: — Well thank you, Mr. Chair. The composition of the board of course is based on a composition of 12 members — six employer representatives and six employee. And what the Act does is it basically creates a provision where the employer group can be a person other than the . . . that employer. It can be a representative of that employer, and the same goes for the employee.

So a situation would be that within that employer membership and with that employee membership, that particular employer group or employee group could indicate a representative other than an actual employer and employee. So it can be a representative that allows for obviously greater interaction in terms of the choice of their representative based on their

knowledge and their ability to represent that employer or that employee group more effectively.

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

Hon. Mr. Lautermilch: — With leave to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Lautermilch: — Thank you, Mr. Chairman. I would like to introduce to you and through you, members of the Legislative Assembly, two members of Alberta's legislature who are here today with some interprovincial meetings that are taking place here in Regina. Pat Nelson, who is the Minister of Finance, is with us, and Gary Mar, who's Alberta's Minister of Health.

I would want to say that I especially welcome Pat. Her and I served as Energy ministers concurrently for a number of years, found out that, in spite of some of our philosophical differences, some of the challenges that both Saskatchewan and Alberta face in terms of developing and growing our energy sector were very much similar, found out we've got much more in common than we have not in common.

So welcome to Regina. Enjoy your work here.

Hon. Members: Hear, hear!

Mr. Hart: — Thank you, Mr. Chair, and on behalf of the official opposition we too would like to welcome the ministers from Alberta and hope that they have an interesting visit to our legislature.

COMMITTEE OF THE WHOLE

**Bill No. 5 — The Apprenticeship and Trade
Certification Amendment Act, 2002
(continued)**

Clause 1

Mr. Hart: — Mr. Chair, to the minister, these representatives of the various employer/employee groups, how are they appointed? Are they nominated by the various groups or are they government appointed? I wonder if the minister could just explain the process for an individual becoming a member of the board.

Hon. Mr. Melnychuk: — Well thank you, Mr. Chair, each of the 20 members of the board are selected by the industry as a whole and they are appointed by the Lieutenant Governor in Council.

And just to give an idea of the membership of this board and the various groups that it represents. We have representatives from the construction sector employers, we have representatives from the construction sector employees; the ag sector employers and the ag sector employees; the construction sector employers and construction sector employees again. We have mining, manufacturing, maintenance sector employees and mining,

manufacturing, maintenance sector employers; mode of power mechanical repair, both sector employees and sector employees; tourism and hospitality service sector employees and employers.

We have representatives from the First Nations people, from the Métis people, from northern Saskatchewan, from visible minorities, from women, a SIAST representative, and two representatives from the Department of Learning for a total of 20 and that is the composition of the board.

And what the amendment to the Act allows for is these groups to not just provide an actual employer/employee but a representative. And we feel that that will actually strengthen the quality of the board and allow it to do the good work that it does.

Mr. Hart: — Thank you, Mr. Minister, for that information. I wonder, Mr. Chair, if the minister could perhaps just give us an indication of what representation his department had from the employer/employees groups for the amendment where rather than an actual employer or an employee be the representatives that these groups could appoint a representative? Where did the pressure come from for this type . . . for this amendment, Mr. Minister?

Hon. Mr. Melenchuk: — Thank you, Mr. Chair. That was a request from industry. And what it would do, for example, is that if the employer sector in construction wished to have Manley McLoughlin represent them, for example, on the certification commission, then that would be allowed. Under the previous Act that wouldn't be.

So this is an opportunity for employers and employees to select and make recommendations to the people that they believe will bring the most to this board in terms of providing a voice and quality input with regard to the direction of the commission and how it does its work.

Mr. Hart: — Mr. Minister, you mentioned that the representation came from industry and you gave an example of representation that perhaps came from the employers. Are you saying that most of the representation for this change came from the employer section or was it equally based on employee/employers? Could you give us some indication of approximately the number of requests for the change from the employee sector versus the employer sector?

Hon. Mr. Melenchuk: — Thank you, Mr. Chair. When I make the reference to industry, I'm referring to employers and employees who make up the industry as a whole. And the recommendation came from both groups in a very strong and unanimous way.

Mr. Hart: — Thank you, Mr. Minister. One of the amendments deals with, and I believe you indicated in second reading of the Bill, that only qualified people can work in compulsory trades. Could you define for me what is meant by compulsory trades — what trades are covered? Perhaps it's quite a long list and I don't expect you to go through the whole list, but give us . . . give me an example of what the compulsory trades are and then could you define the term qualified people?

Hon. Mr. Melenchuk: — Mr. Chair, first off, qualified employees would be approved by the commission and would improve occupational health and safety as well as public safety.

The compulsory trades, which was the first of his questions, as identified by the commission are electrician, plumber, refrigeration mechanic, and sheet metal worker. And these are compulsory to ensure employees are properly trained and certified in the province of Saskatchewan.

Mr. Hart: — Mr. Minister, within that definition of those compulsory trades there's, I guess in my mind at least, a grey area. Let's take plumbing for an example. I certainly, you know, agree with the notion that if you have an individual that is actually running waterlines and doing the soldering and the cutting and the gluing and all those sorts of things, that they should be qualified to ensure that there's quality of work and public safety.

But if you have an individual who is merely carrying the supplies to the work site, perhaps doing some of their . . . some of the groundwork as far as facilitating the installation of sewage lines and that sort of thing, would an individual who doesn't actually do any of the actual plumbing work in this example, would that individual . . . but is merely a person that is bringing the supplies to the work site and moving them around on the work site, would that individual fall under this definition of qualified people?

Hon. Mr. Melenchuk: — Mr. Chair, approximately 80 per cent . . . This is with regard to an apprentice and certainly we looked at 80 per cent of the training occurs at the job site and this allows for the opportunity to provide supervision, but also to meet the qualifications that the ATCC (Saskatchewan Apprenticeship and Trade Certification Commission) has put forward with regard to, especially the compulsory designation.

Now just to comment a little bit about how a trade becomes compulsory. Before the minister recommends that the Lieutenant Governor in Council prescribe or remove the designation of a designated trade or sector as a compulsory apprenticeship trade sector, the minister must receive a recommendation from the ATCC respecting that designation as compulsory. And before the ATCC will make that recommendation to the minister, the commission will determine that a majority of employers and a majority of employees working in that designated trade or sector has made that recommendation.

It has to be satisfied that the work of the designated trade or designated sector as prescribed is clearly defined; be satisfied that there is no overlap or duplication with the work of an existing designated trade or designated sector will occur, as prescribed by the regulations; be satisfied that the implementation of the recommendation will result in improved occupational health and safety — and public safety — at the work site; be satisfied that the implementation of the recommendation will be a benefit to Saskatchewan residents; and inform in any manner that the ATCC considers appropriate, employers and employees and the general public of the ATCC's intention to request a new compulsory apprenticeship trade or a new compulsory apprenticeship sector.

So public notification is part of this. And where considered appropriate, persons working in the designated sector who might be involved with that sector are also consulted. They will also hold public meetings as necessary and meet any other requirements that the minister would designate.

So there is quite an intricate process involved in how the trade becomes compulsory, and it is supported by the majority of employers and employees within that trade.

Mr. Hart: — Mr. Minister, I certainly agree with the need for public safety and occupational health and safety of the workers and those sorts of things. And many of the things that you outlined, in my mind at least, would apply to construction sites of a large commercial nature and those sorts of things.

But the compulsory trades also impact on small contractors who are perhaps doing residential work and those sorts of things. And particularly in the area that I represent, a rural constituency, we have small plumbers and electricians that operate out in rural Saskatchewan.

And I guess the question that they would have is: if they're working, have a job, and they need some additional help just to need someone to bring the supplies to them . . . And perhaps they do have an apprentice working with them but they'd feel that it's pretty inefficient to have someone who has some skills and can do the plumbing or run the wires and do electrical hookups, if that person has to go out to the truck to bring the supplies into the work site. And quite often they will hire someone on a temporary basis to do that.

And I guess the question they have is: does that . . . are they breaking any regulations of the commission or are they allowed to hire, say for instance a high school student after school on the weekend to help him do some of the manual labour type work? Where do these small contractors stand in that issue, Mr. Minister?

(11:30)

Hon. Mr. Melnychuk: — Certainly, Mr. Chair, with regard to people who are providing assistance to journeymen or apprentices, such as carrying from a truck to a work site, that's perfectly fine.

Where they would need to be a tradesperson, a journeyman, or an apprentice is where they are actually doing the work of that trade. And for plumbing for example, cutting the pipe, sealing the joint, whatever, that would need to be done by the journeyman or the apprentice who was in the process of learning that particular trade.

Mr. Hart: — Thank you, Mr. Minister, for clarifying that area.

The next question or area that I would like to deal with is, there is mention to a probationary period in the apprenticeship process. I wonder if you could just explain. Has there been a probationary period prior to this time? If so, is there a change in the length of probationary period? I wonder if you could just provide some information dealing with this whole probationary period with regards to the apprenticeship program.

Hon. Mr. Melnychuk: — Mr. Chair, as . . . certainly the probationary period is something that has been in existence for some time. It's always been that 6 months or 900 hours. And what the . . . what this Act now does of course is formalizes that more.

I think it has been quite successful for employers and people who are observing the apprentice in terms of their qualifications, and also for the potential journeymen in determining the relevance of that trade for that particular individual.

So that . . . there has been no change in terms of the probationary period. It remains at 6 months or 900 hours.

Mr. Hart: — Thank you, Mr. Minister. Mr. Minister, I'm hearing from some of the trade people that there is a bit of a backlog or a problem with the apprentices. I believe . . . I suppose it varies with the various trades, but the majority of the training takes place on the job. But there's also a component where the apprentices need to attend SIAST for the formal education portion of their training. And I'm hearing from certain trades that there is a backlog at SIAST, that a number of apprentices have accumulated a number of hours of on-the-job training and yet they can't get a space in . . . at SIAST to complete their formal education.

I wonder if you could perhaps address that situation. Are you aware that this problem exists and, if so, what is being done to alleviate the problem?

Hon. Mr. Melnychuk: — Certainly, Mr. Chair, the member opposite does ask a good question and points out a current problem. Occasionally we do have situations where there are some waiting times. We certainly try to accommodate through scheduling as much as possible so that individuals are not waiting as long to acquire that particular bit of academic or classroom training.

We also recognize that we have, as a province, completely backfilled the funding that was withdrawn from the federal government with regard to apprenticeship training. And we have also added additional dollars. And we also . . . the ATCC has also indicated that they will be charging increased fees in the near future so that they will have more available dollars, more available training positions, so that we can deal with some of the backlog and wait-lists that is currently in that particular apprenticeship environment.

Mr. Hart: — Mr. Minister, one of the areas that I am told there is a significant backlog is in the . . . I'm not exactly sure what the training program is, the correct title for it, but it's the technicians that are apprenticing to repair and service the highway tractors and the large trucks, in that area. And I believe the SIAST program is being delivered through the campus at Prince Albert. And I understand there is a significant backlog in that area.

I wonder if you could provide me with some information as to how long the backlog is, are you aware of it, and what steps are being put in place to deal with the situation.

Hon. Mr. Melnychuk: — Certainly, Mr. Chair. I think what the

member opposite is referring to is the truck and transport mechanic program. I'm told that there is not a significant backlog with regard to that particular program.

But we also recognize that SIAST and of course the Apprenticeship Commission looks very carefully at where backlogs may be occurring and modify their programs on an annual basis. So it is . . . there is some fluidity and some flexibility in terms of identifying where there's increased need and how they can expand the availability of training positions in that area — and perhaps where there is decreased need for training, to actually pull back in some of those areas.

So it's certainly very fluid. There is flexibility built into the system. And as far as I'm aware, there is not a significant backlog in that area at this time, Mr. Chair.

Mr. Hart: — Mr. Minister, dealing with that specific — it's Friday, Mr. Minister — specific program, I understand that there is some perhaps duplication of facilities in SIAST. There's the new heavy equipment mechanics plant in Saskatoon, a new building that came on stream fairly recently. And I'm told that there perhaps is a duplication between the highway tractor mechanics program and the heavy equipment, that at least they could be complementary if they . . . and utilize more of the resources if they were at one location.

Have you looked at perhaps some amalgamation or at least bringing these two . . . delivering these two programs out of the one facility so that resources could be utilized in a more efficient manner?

Hon. Mr. Melnychuk: — Well thank you, Mr. Deputy Chair. And the member opposite has asked a very good question and I can basically inform the Assembly today that SIAST and the industry have been engaged in some discussion for some time now, and that the plan is to move the components of the P.A. (Prince Albert) program to Saskatoon where there will be less duplication but also because of the industry base in Saskatoon, greater opportunity to provide that program in more effective way.

Mr. Hart: — Thank you, Mr. Minister, for the information. The information that I have is that perhaps it would be a welcome move.

I would like to deal with one section of Bill 5 that deals with benefit programs — and that the commission has a responsibility — and there is some proposed changes in this Bill as to the way the commission deals with benefit programs. I wonder if you could explain the intent of the amendments in that area.

Hon. Mr. Melnychuk: — Well thank you, Mr. Deputy Chair, and certainly again another good question.

With regard to the apprenticeship training allowance, this is something that the commission has been doing for some time in providing those funds for apprentices in training and this formalizes the process. So really what it does is it allows the commission to do what it has been doing in providing the apprenticeship training dollars to the apprentices.

Mr. Hart: — Mr. Minister, I understand that there is a variety of sources of funding for the training benefits. Could you explain levels of funding from the various sources and is there a significant change of funding from one source with this amendment or will the levels of funding from the various sources still maintain the same relative levels as prior to the amendment?

Hon. Mr. Melnychuk: — Thank you again, Mr. Deputy Chair. Certainly the allowances come from the skills training benefit program. And there is no real change to the allowances provided and these allowances are set out in regulation.

And to just give an example for apprenticeship — apprentices and tradespersons attending training, these are the living allowances as provided: single with no dependants, \$121 per week; married with a spouse who earns more than \$385 per week, \$121 per week; with one dependant, \$157 per week; with two dependants, \$171; with three dependants, \$184; and with four or more dependants, \$197.

So those are the living allowances. They basically haven't changed. And if there's . . . living away from home there's an additional allowance for residents outside of the northern administrative district of \$94 a week, and residents of the northern administrative district, \$125 per week.

So the benefit is provided through the skills training benefit program and the level of allowance has not been changed, Mr. Deputy Chair.

Mr. Hart: — Thank you, Mr. Minister, for the information. I understand that there is a new fee schedule to take effect in July of this year. Could you explain and give us an indication as to how the new fee structure will compare to the old fee structure. And also, was there consultation with industry on this new fee structure? Did your department propose the new fee structure or was it industry driven, Mr. Minister?

Hon. Mr. Melnychuk: — Thank you, Mr. Deputy Chair. Currently the provincial government is providing 98 per cent of the costs. And there was significant consultation with the industry — employers and employees. The initiative in terms of providing a new fee schedule was industry sponsored, industry led.

And what it does is that it ensures not only the viability of training but it basically allows for a position where employers, employees, and the apprentices will be providing components of their training. And the target is to have the apprentices provide approximately 10 per cent of the overall cost of their training.

So currently the provincial government is providing a significant amount in the form of 98 per cent and the industry has indicated that they would like to see some participation from the apprentices in terms of providing some of the cost of their training.

(11:45)

Mr. Hart: — Thank you, Mr. Minister, for that information. I'm certainly pleased to hear that there was industry

consultation and I think we all realize that there is . . . skills training is an area that deserves a lot of attention. And any improvements to that area, we certainly welcome on this side of the House.

There's a lack of . . . we are hearing from employers that there's a lack of . . . shortage of skilled tradespeople in the province and we certainly need to do everything we can to make sure that we have . . . provide the training opportunities for those people, for the jobs that are out there waiting for them, Mr. Minister.

And that concludes my questions. My colleague would have one or two questions for you, Mr. Minister.

Mr. Brkich: — Thank you, Mr. Chairman. I just had a letter faxed to me from a constituent in Craik who belongs to the program. He was a little worried about the dramatic increase in fees here for the apprentice program.

He was just saying on July 1, 2002 the larger fees go up to 120 tuition, I believe. As well, there's now \$150 employer fee and a \$250 certification fee, he writes. And other examination fees, he also writes in here.

Can you answer the question on the examination fees: how much they are and how much increase there was from last year to this year.

Hon. Mr. Melnychuk: — Certainly, Mr. Deputy Chair. As indicated, there have been some changes to the fee schedule. And with regard to the specific examination fee, it was \$60 last year and it will be going up to \$100 on July 1 of this year.

And again, this was the recommendation of the commission which, through wide-based consultation . . . and certainly we are of the belief that the components that these fee schedules identify will ensure the viability of the commission in providing training opportunities to apprentices in the province of Saskatchewan.

Mr. Brkich: — Thank you, Mr. Minister. Was that the only fee increase then? I'm just kind of going through his letter, and it just came recently so I'm not up to date on it 100 per cent and I apologize to that.

But just to clear up, I . . . some things, was that the only increase? Because he also talked about \$120 tuition going up, as well \$150 employer fee. Has that gone up, or was that the same as last year?

Hon. Mr. Melnychuk: — Thank you, Mr. Deputy Chair, and the member opposite for the question. The employer fee last year was \$60 and that will increase to 150 as of July 1.

And the tuition component is new. We haven't charged tuition in this province prior to the announcement that was made some time ago. That will be \$15 per week. What it amounts to is approximately an apprentice tuition fee of \$120. By comparison, Alberta currently charges \$400 and Manitoba \$200 with regard to that same apprentice tuition fee.

Mr. Brkich: — Was that the only reason that you brought the fees up, just to be in line with the other provinces, or was the

program needing the extra money to keep going?

Hon. Mr. Melnychuk: — Certainly, Mr. Deputy Chair, it was in response to providing more and better training opportunities, and opportunities in the workplace. We also recognized that the component with regard to the apprentice providing some of the cost of their training was really not within sort of provincial standards in terms of other comparisons.

But I think that the reason, the main reason for the change in the fee schedule was to provide for the viability of the training opportunities and to allow for expansion where necessary, and certainly also provide some of the component from the person who was receiving the training in terms of the benefit that they would accrue when they became a journey person.

Mr. Hart: — Thank you, Mr. Chair. Mr. Chair, we would have no further questions with regards to this Bill, and I'd like to take this opportunity to thank the minister and his officials for the information and answers they provided us here this morning.

Hon. Mr. Melnychuk: — Mr. Deputy Chair, I too would like to thank the members opposite for their very intuitive questions and my officials today for being here to provide the answers. And I'm very pleased that we were able to have this discussion on this important Act for apprentices in the province of Saskatchewan. And I look forward to seeing its implementation.

Clause 1 agreed to.

Clauses 2 to 8 inclusive agreed to.

The committee agreed to report the Bill.

THIRD READINGS

Bill No. 11 — The Urban Municipal Administrators Amendment Act, 2002

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

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

Bill No. 10 — The Tax Enforcement Amendment Act, 2002

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

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

Bill No. 5 — The Apprenticeship and Trade Certification Amendment Act, 2002

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

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

COMMITTEE OF FINANCE

**General Revenue Fund
Learning
Vote 5**

Subvote (LR01)

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

Hon. Mr. Melenchuk: — Thank you, Mr. Deputy Chair. To my immediate right is Craig Dotson, the deputy minister of Learning. Directly behind me is Ken Horsman, the associate deputy minister of Learning. To my deputy's immediate right is Don Sangster, the executive director of school finance. To my immediate left is Cal Kirby, the director of facilities planning. Behind Cal is Michael Littlewood, the executive director, legislation and school administration. I have Frances Bast just behind me, director of corporate services. I've got Mr. Gord Sisson, director of corporate services in the back of the room, and Anne Bellinger, benefits manager, teachers' superannuation commission. Have I got everybody? And Shirley Robertson, manager of pension benefits, as well. Those are the officials here this afternoon, Mr. Deputy Chair.

(12:00)

Ms. Draude: — Thank you, Mr. Chair. And welcome to the minister and welcome to your officials. It's great to have an opportunity to discuss, I believe it'll be K to 12 education today. I have a number of questions and then a number of my colleagues also will have individual questions.

So I'm going to start today by asking you about the isolated school factor. In information that we received in the 2002-2003 operating grants, we understand that last year's grandfathering provision where school divisions received no less than 80 per cent of the former small schools recognition is no longer in place. Can you tell me how many schools are being affected by that?

Hon. Mr. Melenchuk: — Certainly, Mr. Deputy Chair. That's again a very good question from the member opposite. We announced the isolated school factor last year as a two-year phase-in to replace the small school factor. When we looked at isolated schools in terms of whether they were truly isolated, it was felt that support should be provided to the school division in terms of dollars of recognition to that school division, and we have provided that.

Certainly, because it was a two-year phase-in, there was some grandfathering last year. It's full implementation this year.

With regard to the specific question in terms of the numbers of school affected within the province of Saskatchewan, I can't give her those exact numbers at this point in time. But we will provide those numbers to her in short order, Mr. Deputy Chair.

Ms. Draude: — To the minister through the Chair, thank you. I have one other question. The last paragraph under this isolated school factor says:

One other refinement to the isolated school factor has

occurred. A new maximum total amount payable in this factor is determined by a calculation of 25 per cent of the basic rates for the school division.

Could you please clarify this for me?

Hon. Mr. Melenchuk: — Mr. Deputy Chair, again, a very good question. It is my knowledge that there are three school divisions that would be affected by that. These are very small school divisions where the basic total amount of recognized expenditure and revenues, we're talking approximately \$5,000 per student. And what it does is that it provides a cap in terms of the amount of dollars that can be provided based on that particular formula. And it affects approximately three school divisions who have very small enrolments.

Ms. Draude: — Thank you, Mr. Minister. Can you tell me this year how many schools you are expecting will be closing in the 2002-2003 year; and if you have any indication of how many there will be in the next year?

Hon. Mr. Melenchuk: — Thank you, Mr. Deputy Chair. The most up-to-date information that we have from school divisions at this point in time with regard to 2002 is that there are six schools throughout the province that have been indicated for closure. It is the Minto School in Estevan Rural. It is the Viceroy School in Red Coat Trail School Division. It is the École de Ferland in francophone School Division 310; the Handel School in Biggar; Rabbit Lake which is part of the Northern Lights School Division; and the Battleford Junior High which is part of the amalgamation realignment of service in the Battlefords area. So that is a total of six and then there are several schools that have indicated motions for grade reductions, Mr. Deputy Chair.

Ms. Draude: — This is for 2002-2003. Do you get indications for a year in advance or is it something you wait until you receive motions from the school board?

Hon. Mr. Melenchuk: — Certainly, Mr. Deputy Chair. There is a process in terms of the motions that must be provided, so there is a motion of intent. Currently we have for 2003 four motions of intent. We have an additional two final motions for 2003. So I would anticipate similar numbers next year as compared to this year.

Oh, and the member opposite asked me the names of those schools as well. The 2003 closure/grade reductions — school divisions that have passed motions of intent would be the Torquay School in Estevan Rural, the Artesian School in Red Coat, the Leader Elementary in Leader, and the Saar School in Buffalo Plains. These are motions of intent so the final public consultation and so forth hasn't occurred.

There have been final motions passed for two school closures, Goodeve School in Deer Park and St. Thomas School in Souris Moose Mountain. And I think that would be the most up-to-date information that we have as this time, Mr. Deputy Chair.

Ms. Draude: — Mr. Chair. Thank you, Mr. Minister. Whenever there is a school closure I know that you are aware that it's a heart wrenching decision not just for the board but for the parents and for the students. So it's something that we . . .

none of us take lightly.

And when we look at rural Saskatchewan and the effects of the economy and overall downsizing in rural Saskatchewan, it's something that we all are really worried about.

Does your government actually have a mandate to centralize schooling in rural Saskatchewan?

Hon. Mr. Melenchuk: — Thank you, Mr. Deputy Chair, and thank you to the member opposite for her question.

Certainly the government has no mandate to centralize schools. It's not part of the role of the provincial government. The provincial government, of course, respects the autonomy of school divisions to make the best local decisions for the students that they have enrolled in their school division.

But I just might comment a bit about the numbers of school closures we're looking at this year and next year. In terms of the past 20 years, really, really, these numbers are quite small. When we look at, for example, the number of schools closed in 1983, it was 19; 1984, it was 20; 1988, 17; 1990, 20; '92, there was 10; '93, there was 18; '94, 16; '97, 14; '99, 12; 2000, there was 7; 2001, 8; and in the 2002 is 6; 2003 preliminary is 6.

So in terms of the context of the past 20 years, we're actually seeing a decrease in the number of school closures in the past 3 or 4 years compared to that 20-year average.

So I don't know if we're getting to the point where some of the rationalization of schools within school divisions in rural Saskatchewan have now got to the point where the distances are such that it's more difficult to close some of these schools — and of course, we do support truly isolated schools and school divisions through our isolated school factor.

But I think it's relatively good news to have numbers that are less than the 20-year average this year and, of course, the anticipation for next year.

So thank you, Mr. Deputy Chair.

Ms. Draude: — Mr. Chair, Mr. Minister, in your government's opinion do you feel that the amalgamation issue is going to have an effect on school closures?

Hon. Mr. Melenchuk: — Certainly, Mr. Deputy Chair, I've been asked this question and have had letters from members of the public on a number of occasions. And what I've said is that the rationalization of schools within a school division is completely separate from the amalgamation of school divisions.

What we have done in terms of the approach that we've adopted with regard to school division amalgamations is that we've provided a challenge and a target to have 25 per cent less school divisions in the province of Saskatchewan by the board elections in the fall of 2003.

We have currently, I think, somewhere in the neighbourhood of over 40 school divisions discussing amalgamations. And with the context of amalgamations that have occurred what we've found is that in school divisions that have amalgamated there

have been more resources and greater availability of actually providing — truly providing — support to isolated schools.

And the reality is that we haven't seen school closures in amalgamated school divisions, but in fact enhanced support through providing additional services that are available because of the larger base of resources available to these amalgamated school divisions. So amalgamation of school divisions does not mean school closures.

The new division board, or the amalgamated board, obviously has the autonomy and the ability to make those decisions, but what we're finding is that with the additional resources available to the amalgamated school division that in fact schools that might have been closed have not been closed because of the additional resources provided.

Ms. Draude: — Mr. Minister, you indicated that there was, I believe, 40 applications or 40 school divisions that were considering amalgamation. Is the Thunder Creek, Moose Jaw public school divisions one of the ones that are considering amalgamation?

Hon. Mr. Melenchuk: — The answer to the member opposite, Mr. Deputy Chair, is yes, the Moose Jaw, Thunder Creek divisions have both passed motions of intent and are engaged in discussions with regard to amalgamation, as are some 40 other school divisions throughout the province of Saskatchewan.

Ms. Draude: — Mr. Minister, when the issue of amalgamation came up, I agreed that school board amalgamation in cases where they're not forced and the local people have the decision and the autonomy, and have decided this is the best thing for the ratepayers and students is something that should be encouraged.

But I'm wondering why you've actually set a target to decrease the number of school divisions? And why, if it's not something that your government is actually encouraging, why you've actually put the money forward to do this?

(12:15)

Hon. Mr. Melenchuk: — Certainly, Mr. Deputy Chair, when we talk about the process with regard to amalgamations and the number of studies that have been done going back some 10, 15 years, the current round of provincial government leadership in terms of amalgamations really started about 1996-97.

But most recently . . . And why we've put forward the challenge of that 25 per cent reduction is that we now have a track record in terms of school divisions that have amalgamated. And they are able to relay those positive experiences to other boards who are discussing amalgamation and have concrete data in terms of the improvements that they have seen for their staff and students in their divisions.

So now we have initially the theory that, well, it's probably a good thing to do. But what is the impact when school divisions really do amalgamate and what is the benefit to their students and their staff and their ratepayers? And what we found is that, for example, the experiences with regard to Prince Albert, the knowledge that we're gaining from Buffalo Plains/Cupar/Indian Head, that these are providing not only the data to indicate to

other school divisions where those positive relationships and positive improvements can occur, but we also now have the ability of those boards who have amalgamated to provide mentorship to divisions that are discussing amalgamation.

So what we're finding is that the results . . . that in surveys that have been done to amalgamated boards is that the number of positives — and I've outlined this in several speeches, for example, to the Teachers' Federation spring council recently — that the benefits to the staff in terms of enhancements for professional development, the enhancements with regard to student experience in terms of speciality services such as speech pathology that can be improved, and also the enhancements with regard to ancillary service such as band, practical and applied arts, are all enhanced within these amalgamated divisions.

So the positives are there. They are concretely identified and they are available to be relayed to the other divisions that are talking about amalgamation in a positive way. So I can see that the process has accelerated now and that's because we have a track record in terms of the positive experiences that have been identified by the amalgamated divisions.

Ms. Draude: — Mr. Minister, it may also be accelerated because of your press release or your idea that there is going to be 25 per cent fewer school divisions in the next two years. So some school divisions are thinking that they might as well do it voluntarily before they are forced into it.

So I would guess my obvious question is, after this two years is up, is there going . . . are you going to be forcing it?

Hon. Mr. Melnychuk: — Mr. Deputy Chair, as indicated when I put out the challenge to the school trustees and their convention last fall, that there is no intent to force any amalgamations.

We listened to the stakeholders in terms of providing the additional enhancements. And these, again, these additional enhancements, in terms of the dollars provided to amalgamated divisions on a per student basis, were actually drawn from numbers that we were able to get from amalgamated boards in terms of their actual costs in proceeding to amalgamation.

So our approach is to provide incentives, to put a target. And I believe that that target will be reached. And where we go from there, well, we'll have that discussion. But there certainly is no intent of myself or this government of forcing any school divisions to amalgamate.

Mr. Elhard: — Thank you, Mr. Chairman. Mr. Minister, I stand here with some reluctance today, frankly, because of the difficult situation that a community in my constituency is facing. But I do think that we need to address it simply for the purposes of acquiring some information for the taxpayers, the citizens, of the community of Leader.

As you're no doubt aware from many calls to your office and media reports, about 10 days ago there was a situation developed between the division board and the area around the community of Leader and one of their employees. And as a result of an arrangement, a mutual termination arrangement, the

protests that developed caught the whole community by surprise.

I was wondering if, Mr. Minister, today you could give us an indication of the current status of the situation that exists in the school division of Leader.

Hon. Mr. Melnychuk: — Thank you, Mr. Deputy Chair, and thank you to the member from Cypress Hills with regard to the question.

This issue is indeed one that my office has fielded a number of calls on, and certainly my officials within the department. And I have received correspondence from not only the Teachers' Federation, but also from the SSTA (Saskatchewan School Trustees Association) with regard to the issue in Leader.

I can state to the Assembly today that first off there was a mutually . . . mutual agreement between the principal at Leader Composite School and the division board with regard to a settlement package.

What we have . . . what has evolved since then — and that of course was the incident that brought forward the community involvement and the community, I would almost say, outrage — what we found is that since that time the Saskatchewan Teachers' Federation has placed the Leader School Division in dispute.

And what that means is that under The Saskatchewan Teachers' Federation Act, the designation of in dispute indicates that that division board and that division is on notice with regard to the teachers' profession in Saskatchewan and across Canada with regard to problems that their professional association is having with the employer. And that if there were to be a hiring of a teacher by that board, that teacher would then be in a position where he could be reprimanded or fined by the Saskatchewan Teachers' Federation.

So that in dispute clause is something that is rarely used, but in this particular case what it has done is it has created an environment where both the SSTA and the Saskatchewan Teachers' Federation have engaged in consultations with that division board and with their local teachers' association in terms of resolving some of the deteriorated relationships that have developed over the past two years.

So the incident with regard to the principal has highlighted, I believe, a deterioration of relationships that has gone on for some time. And I believe that the STF (Saskatchewan Teachers' Federation) and the SSTA and the division board and the local board and the local teachers' association are looking at how they can rebuild those relationships.

And once those relationships have been rebuilt, then the STF will remove its in dispute designation and, hopefully, people can move forward from that.

Certainly I have been requested to look . . . to consider the advisability of holding an inquiry. I'm certainly in no position to make that at this time. As long as discussions are occurring with the involved stakeholders and I believe a resolution can come from that process, I certainly won't be looking at any type

of provincial intervention. And I think that would be very unwise at this time.

So thank you for the question, Mr. Member.

Mr. Elhard: — Thank you, Mr. Minister, for the detailed explanation. As you can appreciate, part of the difficulty in the situation in the community of Leader is the element of privacy and the concerns about divulging information that would breach the privacy of the individual involved, and the board itself and any of its reasons for having taken the action it did.

But with the concerns about privacy also comes the very serious lack of information and when people are starved for information, all types of things happen. Sometimes imaginations run wild but what usually occurs is that people become suspicious of the whole process.

And as a result of that type of a situation, over and above the meetings that you've described involving the SSTA and the STF and the local board and the division board, is there any other dispute resolution mechanism that the people of the community can appeal to?

Hon. Mr. Melenchuk: — Thank you, Mr. Deputy Chair, and thank you to the member opposite for that question. There really . . . there's some separate issues here and it is a complex issue. First off, there is a mutually agreed upon contract between the principal and the school division. That is a legally binding contract, and of course you have to respect the privacy of the individuals. If there was any dispute with regard to that contract then of course that would put it into a legal realm and there's options available there.

When you have a communication breakdown or perhaps a communication breakdown that has occurred over some time, then the dispute availability available to the community is to see if they can enhance the communication with their division board which is their elected body responsible for the delivery of services, for the decisions on administration and the decisions on finance within that division. And they are the duly elected autonomous board responsible for that.

So, you know, I mean the community has a right to know. I don't think that we can get into some of the privacy issues with regard to individuals and their employment, because that's something I'm sure the community would like to know. But unless that individual comes forward or as a group the parties to that signed agreement would indicate, you know, provide a joint release of some type, then we can't really force that issue.

What we can do is try and resolve some of the issues with regard to deteriorating relationships as outlined by the Teachers' Federation and see if we can work on how that would be moved forward in a positive way.

Certainly with regard to what my role would be, there is provision in The Education Act that does allow a Minister of Education to convene a board of inquiry which has all of the powers under The Public Inquiries Act. And that is a very, very rarely used clause. And I think in the last 20 years it's only been done once and it was related to the en masse resignation of the Indian Head board which had been several years ago — very,

very unusual circumstance to have an entire board resign en masse.

So there are provisions in the Act that allow for the minister to have an inquiry. Certainly I would consider that as being something quite aggressive and as a sort of a last resort. And I think the discussions, the mediation efforts of the SSTA and the STF in terms of talking to that division board and involving the community, I think is the much better way to go and hopefully we can have some of this resolved to the betterment of Leader and surrounding area as soon as possible.

(12:30)

Mr. Elhard: — Thank you once again, Mr. Minister. Mr. Chairman, through you to the minister, in view of the delicate nature of a situation like this and keeping in mind sort of the primacy of the local autonomy element, I understand that there's, you know, a pretty fine line has to be walked here.

But what concerns me, as sort of the provincial elected representative for the people of that area, is the overwhelming number of communications I've had with my office. I've got a couple of letters with me this morning that arrived just today and I've had many, many letters and e-mails and telephone calls. And the frustration level of the people is directing them — the community people — is directing them toward legal action.

And while that might be a way of assuaging some of their concerns and might be some action they can take, as you can understand, it's certainly not the preferable response to a situation like this in terms of the welfare of the community. And I would be really very reluctant to encourage legal action or even see that started.

So given the fact that there is a mechanism in The Education Act that would allow you to hold an inquiry and you're reluctant to do that, I guess what I want to know: is there some other mechanism at the provincial level that could be used to help bring all the sides into sort of a mediation process, maybe inserting an independent third party into the process, that doesn't really go the full-blown length of inquiry route or the legal route? Is there some other possible mechanism that could be employed in this situation?

Hon. Mr. Melenchuk: — Thank you, Mr. Deputy Chair. Certainly with regard to . . . we have . . . Well here's the ultimate sort of inquiry under The Education Act. We do . . . Obviously there is provision for us upon request to provide mediation services. I think the preferable route is where the local division board talks to its parent organization, the local teachers' association talks to its parent organization, and engages the community, the community of interest within the Leader School Division in terms of resolving these issues.

If that's not possible then certainly I would believe the next step would be for some type of a mediation process. And certainly we would not be opposed to entertaining that or looking at that if that request did come at some point in the future.

We also believe that, because the Leader School Division represents the entire Leader area, there are other communities

outside of Leader. So when we talk about what communities should be involved, there's broader interests as well with regard to that board than just the Leader Composite School and the problems they may have been having there.

So it is a complex issue and I think that we are on the way to resolving some of those issues. And I would hope that those issues can be resolved and communicated in a satisfactory way to the community in Leader so that people can move on and look forward to graduation and things of that nature.

Mr. Allchurch: — Thank you, Deputy Chairman. Mr. Minister, welcome to your delegates today . . . your officials today, pardon me.

I had some questions brought to my attention from a constituent of mine from Canwood and the concerns are regarding the Parkland School Division and concerns regarding community schools and preschool systems.

Now my first question is: under the community school system that's in place today, does there have to be a preschool system — not a kindergarten system but a preschool system — in place in order for the community school system to function?

Hon. Mr. Melenchuk: — Certainly the member opposite asks a very good question. When we look at the number of initiatives we put forward in recent years with regard to the community school designation — and we have seen a doubling of the numbers of community schools designated in the province of Saskatchewan and expansion to high schools and rural K to 12 — we recognize that when we provide the community school . . . when that community school designation is provided that it allows for additional resources to be provided, it doesn't necessarily require that part of that additional resources be in the pre-kindergarten area.

What we are finding is that in most cases it does, with some expansion of the pre-kindergarten services, but there is no requirement that that go along with that community school designation.

Mr. Allchurch: — Thank you, Mr. Minister, Mr. Deputy Chair. As you're aware, there was a letter sent to the Minister of Learning — which is your department — from a lady from Canwood and her name is Patricia Provencher. Now I believe from the letter that I received from her earlier that she used to teach preschool in the Canwood area.

Now she sent a letter to the Parkland School Division chairman, Mr. Gerry Guillet, and that was sent on May 14th. And I just want to read a little bit from that letter just to give you some background. It was sent May 14, as I just said.

There are concerns of young . . . (people) getting off at . . . home and no one being there . . . There is also concerns on the cost of bringing the children to the preschool.

(Some other issues are of concern) is on the hiring of a preschool teacher. Why (is) the need for a 4 year education, when the community is in favour of the teacher already in place.

And the reason she brought that up is because she's already a teacher teaching preschool in that area already and she's doing it under a voluntary system basis.

Now under . . . and that's why I asked the question regarding the preschool involved in community schools. If it's mandatory that they have preschool systems under the community school system, then I don't think this lady would have a problem following the route that the Parkland school director is taking. But if there isn't, and there's already a system in place where a lady is doing it voluntary . . . voluntarily, why is the director of education . . . or director of the Parkland School Division implementing that this has to be followed through?

Hon. Mr. Melenchuk: — Thank you, Mr. Deputy Chair. Now I'm not aware of the specifics with regard to this particular case in Canwood.

What I can say is that when we do provide that community school designation — and the community school designation is really something that the division board will provide — based on their recommendation, we will then provide that designation on a province-wide basis, but it is a division board that makes that designation.

Also with regard to the services provided in that school, that is again a decision made by that division board. There is no requirement — it's certainly not mandatory — that pre-kindergarten be part of that community school designation. And the whole purpose of community schools is to allow for the uniqueness and diversity in traditional high-needs areas in terms of providing the tools for that division board to meet those needs.

If there's existing pre-kindergarten services within a community that are excellent, then that division board will look at these and make its decision based on whether that was something that would be needed to enhance the services with regard to that community school. And if it felt it wasn't needed, and in some cases it was felt that there was no need, but it doesn't mean that they cannot be called a community school. What they would have done is provided those resources in another way.

So the combination of early learning opportunities, pre-kindergarten spaces, lunch programs, day care, speech pathology services, any of those things that would be needed for perhaps children at higher risk is something that that division board . . . which is in the best position to make that decision based on the uniqueness of that community.

So no community school is exactly the same and the services provided in that community school are never exactly the same because the needs of the community are different throughout Saskatchewan.

Mr. Allchurch: — Thank you, Mr. Minister, Mr. Chair. You indicated that you were not aware of these questions that I'm asking. On April 20 there was a letter sent to your department by the lady, Patricia Provencher. Last week, I believe it was on Tuesday or Wednesday, I also sent another copy of the letter to your department and also a copy of the letter that went to the director of the Parkland school district. So there's been two copies sent to your department.

The lady goes on to say that there's six or seven kids involved in this preschool system, which she has taught for some time — or has been teaching for some time — so there's not a lot of kids. But the costs are extreme in regarding to the school system.

And the lady that sent this letter to you goes on to say, from what we are told, the CEO (chief executive officer) of the Parkland school district plans to use approximately \$40,000 in grant money to supply special afternoon transportation for these parents of these four-year-olds. The children will be coming three afternoons a week. They will be hiring a teacher with her university degree and also a teacher aide.

Early childhood teachers are told they are not . . . have the proper training for this position. Mrs. Provencher's argument is the university teachers do not specialize in the youth of these children. Yet the director still wants to follow through on this.

Mr. Minister, have you been in contact with the minister of the Parkland . . . not the minister, the director of the Parkland school system in regarding this letter?

Hon. Mr. Melnychuk: — Certainly what I can say to the member opposite today is that we will pursue this particular letter with some vigour in the next day or so and provide a response directly to the individual involved in . . . as soon as we can, so . . .

(12:45)

Mr. Allchurch: — Thank you, Mr. Minister, Mr. Chair. So by that answer then I'm ensuring that you have a copy of the letter . . . You don't have a copy of the letter? Okay, what I'll do then, Mr. Minister, is I'll give you a copy of this letter for you to address and then you can keep me followed-up on what's happening. I thank you, Mr. Minister.

Ms. Bakken: — Thank you, Mr. Deputy Speaker. Mr. Minister, I just have a few questions about the whole issue surrounding amalgamation of schools and of the districts.

And I would just . . . To refresh the memory, I would like to read from a memorandum that yourself sent out to all MLAs on February 12 regarding support for school division restructuring, and I'll quote from your memorandum:

I want to inform you of Saskatchewan Education's plans to support school division restructuring.

As many of you may know, I have publicly stated my expectation that there will be 25% fewer school divisions by October 2003, the next provincial election for boards of education. Currently there are 99 school divisions — 22 with an enrolment of less than 500 students. By 2003, I expect there to be, at most, 75 school divisions. The vast majority of changes will take place in rural areas of the province.

Mr. Minister, it's obvious from this memorandum that you do support amalgamation of schools . . . school districts. And I would like to know what measures you are taking as a minister to promote this and what you are doing in the local school

divisions to make this . . . to realize your goal of reducing schools?

Hon. Mr. Melnychuk: — Thank you, Mr. Deputy Chair, and certainly the member opposite has brought up a very good issue.

Certainly when we talk about the circumstances that, in this last go around, that started in about 1996-97 in terms of initiatives, what the package in terms of incentives we provided to school divisions for amalgamation, first off, we've indicated that we're more than willing to provide information from school divisions that have amalgamated in terms of the positive effects that they have undergone because of amalgamation.

We have also found that school divisions who have amalgamated are more than willing to provide their knowledges and experiences with regard to amalgamation to amalgamating boards and have made themselves available on a number of occasions to come down and chat with boards who are considering amalgamation.

With the announcement to the SSTA of the goal of having that 25 per cent reduction, we also indicated that there would be a financial package associated with that that was closely related to the actual cost of doing the amalgamation. So that, as a provincial government, we would provide support to amalgamating boards so that they would not have to worry about drawing those dollars from their local tax base or from their own services to provide those incentives. So those incentives have been documented in terms of the per-student grant that would be provided.

And there was a process outlined that has been sent to all school boards and directors of education to indicate how that process would work from the motion of intent to the final motion and to the amalgamation once it's complete, in terms of how the dollars would be distributed to those division boards. And the maximum amount of dollars available in terms of a large board with a large student enrolment is, I think, in that 4 to \$500,000 range. So there are some substantive dollars involved here with regard to amalgamating divisions.

And thirdly, we have indicated to division boards and to the School Trustees Association that we would make available the expertise of the department in terms of staff personnel who would also assist with the division board discussions.

And as indicated earlier, it is my understanding that we're looking at some 40 different division boards now that are actively engaged in discussions. There are various sort of levels of where they have gotten to. We're very close to having a fully amalgamated board, for example, with Buffalo Plains, Indian Head, and Cupar. We have amalgamated boards in the Prince Albert area. And as indicated we now have, for example, Moose Jaw, Thunder Creek who have both passed motions of intent to amalgamate.

So there is supports from the provincial government. The division boards will be discussing and consulting. We will provide and facilitate as much as we can.

But certainly it is a voluntary decision and certainly no

intention to do any sort of forced or mandatory amalgamations at this point in time, and certainly not in the near future either. So, thank you.

So thank you very much, Mr. Deputy Chair.

The committee reported progress.

The Assembly adjourned at 12:55.