

The Assembly met at 13:30.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. I rise to present a petition on behalf of citizens of Saskatchewan who are very upset with the government's decision to transfer the surplus from the Fish and Wildlife Development Fund to the General Revenue Fund. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to refund the \$1.6 million intended for the Saskatchewan Fish and Wildlife Development Fund and discontinue its present policy of using this money for other government purposes.

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

This petition, Mr. Speaker, is signed by over 500 individuals from the communities of Delisle, Saskatoon, Chelan, Humboldt, Warman, Martensville, Leader, Outlook, Moose Jaw, Hudson Bay, Lucky Lake, Waldheim, Nipawin, Muenster, and Dalmeny.

I so present, Mr. Speaker.

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, I'm pleased to stand once again today to present a petition on behalf of people in the Humboldt area; people that would like to see the territorial operations office for Saskatchewan Housing Authority remain in the city of Humboldt. And the prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the proposed closure of the Humboldt territory operations office for Saskatchewan Housing Authority and to renew their commitment to rural Saskatchewan and maintain a full, functioning territory operations office in Humboldt.

And the signatures on these petitions, Mr. Speaker, are from the city of Humboldt and the community of Englefeld.

I so present.

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

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

The signatures, Mr. Speaker, are from the communities of

Esterhazy, Churchbridge, Gerald, and Yorkton.

**Ms. Bakken:** — Thank you, Mr. Speaker. I rise today to present a petition on behalf of residents surrounding Craik and Davidson and area that are concerned about their health care facility. And the prayer reads:

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

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

And the petition is signed by residents of Davidson and Bladworth.

I so present.

**Mr. Wall:** — Thank you, Mr. Speaker. I rise on behalf of residents concerned with the state of the regional health care facility in Swift Current. The prayer of their petition reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to commit its 65 per cent share of funding for a new regional hospital in Swift Current.

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

Mr. Speaker, all of the petitioners today are from the great city of Swift Current, save for one signature from the community of Morse.

I so present.

**Mr. Brkich:** — Thank you, Mr. Speaker. I also have a petition here, to people opposed to the reduction of services in the Davidson and Craik health centres.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary steps to ensure that the Davidson and Craik health centres be maintained at their current level of service at a minimum, with 24-hour acute care, emergency, and doctoral services available as well as lab, physiotherapy, public health, home care, long-term care services available to the users from the Craik and Davidson area and beyond.

As in duty bound, your petitioners will ever pray.

Signed by the good citizens from Davidson, Hawarden, Girvin, Bladworth, and Craik.

I so present.

**Mr. Wiberg:** — Thank you, Mr. Speaker. I have a petition this afternoon by people who are opposed to the possible reduction of services to the Davidson and Craik health centres. 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 take the necessary steps to ensure that the Davidson and Craik health centres be maintained at their current level of services at a minimum, with 24-hour acute care, emergency, and doctoral services available as well as laboratory, physiotherapy, public health care, home care, and long-term care services available to users from the Craik and Davidson area and beyond.

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

Mr. Speaker, this petition has been signed by people from Davidson and Elbow.

I so present.

**Mr. Weekes:** — Thank you, Mr. Speaker. I have a petition from citizens who are concerned about people who have been injured in a vehicle or a work-related accident and been denied or cut off of benefits from WCB (Workers' Compensation Board) or SGI (Saskatchewan Government Insurance) no-fault insurance. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to treat injured and disabled people and their families with absolute fairness and equitable treatment.

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

These petitions are signed by the citizens of Saskatoon, Prince Albert, North Battleford, Battleford, Loon Lake, Rosetown, Theodore, Osler, Ruddell, Sonningdale, Porcupine Plain, Duck Lake, Christopher Lake, Mayfair, Nipawin, Biggar, Buffalo Narrows, Melville, Milestone, Regina, Batoche, Warman and Martensville.

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 that are concerned about the hike in crop insurance premiums. And the prayer reads as follows:

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

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

And, Mr. Speaker, the signatures on this petition are all from young farmers from my hometown of Spiritwood.

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, 23, 59, 157, and no. 168.

## INTRODUCTION OF GUESTS

**Hon. Mr. Osika:** — Thank you very much, Mr. Speaker. Well it was just about at this time 21 years ago that I had the good fortune of meeting someone I'd like to introduce to the Assembly here today and it's my good friend Mr. Jim Walters, who was a colleague of mine as well in a previous lifetime, and continues to work with me in my constituency office. I'd like everyone to please welcome Jim Walters to the Assembly today.

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

**Hon. Ms. Crofford:** — Mr. Speaker, I don't know if you were getting up with the same intent in mind, but it's hard not to notice in your gallery all the folks from Week in Wascana. And I'd just like to, through you, get the Assembly to help welcome them today because my granddaughter went to this program the last two summers.

And they go to all of our excellent sites in Wascana Centre, including the Science Centre, the legislative buildings, the museum of natural history — the Royal Museum now called, and all the various other places. And the kids have a terrific time and learn about a lot of our special facilities that we have.

So I'd like everybody to join me in welcoming them.

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

## STATEMENTS BY MEMBERS

### Canadian Special Olympic Summer Games

**Mr. Huyghebaert:** — Thank you, Mr. Speaker. Mr. Speaker, the slogan is Pure Sport, Pure Competition. The slogan I'm referring to belongs to the Canadian Special Olympic Games which kick off tomorrow in Prince Albert.

Mr. Speaker, tomorrow through Sunday, the Canadian Special Olympic Summer Games will play host to several hundred Special Olympic athletes from across the country, all competing in various sports such as swimming, softball, soccer, and track and field events.

Mr. Speaker, these games in Prince Albert are the second multi-sport Special Olympic event of the new millennium. They're also a great opportunity for the Prince Albert community to showcase its many natural attractions. As well, athletes, coaches, families, and spectators will get a first-hand look at our province's incredible group of ever ready volunteers.

Members from Saskatchewan's Special Olympic team will also

be in attendance in Prince Albert and we wish all of them the very best. Their dedication and commitment to not only their team but also to the games themselves instills much pride and respect in all of us, Mr. Speaker.

Provincially the athlete's oath at the Special Olympics is:

Let me win;  
But if I cannot win, let me be brave in the attempt.

This simple oath is one that all of us can apply to our daily personal lives.

I ask all members to join with me in wishing all those attending the Canadian Special Olympic Summer Games in Prince Albert the very best. May you realize success and enjoy the many friendships. Thank you.

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

### Saskatchewan Ethanol Act

**Mr. Yates:** — Thank you, Mr. Speaker. More good news for Saskatchewan. The *National* and *The Assiniboia Times* can identify good news and groundbreaking legislation, Mr. Speaker. A recent article reported that the Canadian Renewable Fuels Association praised the Saskatchewan government for our groundbreaking Ethanol Fuel Act.

CRFA (Canadian Renewable Fuels Association) president, Bliss Baker, said this courageous legislation will chart a new course for the fuel business in Canada. A bold initiative according to the Canadian Renewable Fuels Association, Mr. Speaker.

Mr. Baker went on to say that the province of Saskatchewan has shown the way and now it's up to the federal government to follow suit to help build a new farm economy.

Good news for the province, Mr. Speaker, resulting in both growth and jobs in the future, Mr. Speaker.

Mr. Speaker, the members opposite can criticize this bold initiative if they like, but to say the least, Mr. Speaker, they have never encountered good news that they wouldn't rain on or a fire alarm they wouldn't pull, Mr. Speaker. It's too bad they're so negative, Mr. Speaker. Too bad they live with doom and gloom — too bad, Mr. Speaker.

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

### Craik Eco-Village

**Mr. Brkich:** — Thank you, Mr. Speaker. I rise today to talk about the community of Craik — a community which has shown that it has a vision of living more closely in tune with our environment.

On Saturday, I had the pleasure of attending the sod-turning ceremony and grand opening of the Craik Eco-Village. This remarkable new concept of living more closely with nature is taking the form of building a model ecological village using alternative energy and construction techniques.

The model village is to begin construction as early as this fall, will consist of a highly insulated, energy efficient building made of straw bales. The building will house meeting rooms, a restaurant, and a gift shop in order to draw interested people in seeing just how alternative living would be in the future.

This interpretive centre would educate local residents about sustainability as well as help people become aware of how much electricity they use and how much waste they produce. Activities like energy audits, retrofits of current homes and farm buildings are planned as part of the education project.

The projects seeks to expand its sustainable community to include several homes built on the same lines as the interpretive centre in the near future. The entire project will be built 4 kilometres from Craik near the regional park and the golf course. The location was chosen to accommodate the ongoing pesticide-free golf course project and future building of the ecological safe marina on the nearby reservoir.

Tourism will also benefit this project as it will be highly promoted as both an environmental project and an educational project for those wishing to learn about living successfully with nature.

This project is one of the many initiatives that the residents of Craik, led by Mayor Rodney Haugerud and many dedicated volunteers, have undertaken to take the community viable in the wake of recent elevator closures.

With that, I want to wish them the best of luck and I know the members will congratulate them.

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

(13:45)

### Saskatchewan Festival of Words

**Hon. Ms. Higgins:** — Thank you, Mr. Speaker. There's a festival coming up in the province later this month that I'm sure a few of us, those who use words on a daily basis in a number of forums and for a variety of purposes, would truly benefit from attending.

That festival, Mr. Speaker, is the sixth annual Saskatchewan Festival of Words which runs from July 25 to 28 in the fair city of Moose Jaw. The Festival of Words is a three-day extravaganza of dramatic performances, singer/songwriters, readings, recitations, interviews, panels, talks, workshops, competitions, and various innovative activities all centred on the creative use of language.

The theme for this year's festival is Our Living Roots. Among the headliners are award winners, fantasy writers, poets, historians, and children's authors including Sandra Birdsell, Will Ferguson, Jack Whyte, George Elliot Clarke, and The Arrogant Worms.

A number of Governor General's award winners for poetry, children's literature, and other genres are also on the schedule as presenters and workshop moderators.

Another notable participant in this year's festival is the former clerk of this legislature and current academic director of the legislative internship program, Dr. Gordon Barnhart. Dr. Barnhart will be in Moose Jaw on the Friday of the festival to discuss his book about Saskatchewan's first premier, Walter Scott.

This year's festival, Mr. Speaker, is dedicated to Anne Szumigalski, who was among other things a vital force in the development of Saskatchewan's writing community.

I would like to wish all organizers and participants the best of luck in the festival.

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

### Swift Current Regional Hospital Facility

**Mr. Wall:** — The push for a new regional hospital facility in Swift Current continues, Mr. Speaker. In fact residents of the Southwest are more determined than ever to make this dream become a reality.

You will recall last year when hard-working volunteers spent countless hours collecting signatures on a petition for a new hospital. They did a fantastic job, Mr. Speaker, so much so that they had over 6,000 signatures on these petitions that I had the honour to present here in the Legislative Assembly.

And another petition drive is underway currently, Mr. Speaker, because the situation hasn't improved any and the people of the Southwest haven't given up hope. The hospital in Swift Current desperately needs to be replaced. Mr. Speaker, our hospital is so old that a postcard featuring a picture of the Swift Current Hospital is being sold on the Internet auction giant, eBay, as a collectible, Mr. Speaker.

If a picture of the hospital in Swift Current is considered an antique, Mr. Speaker, what of the hospital itself?

Mr. Speaker, constituents continue to raise concerns about the hospital, both front-line health care workers and patients. They continue to raise concerns about the state of the hospital in Swift Current.

The taxpayers of the Southwest deserve better. They deserve a top rated health care facility. They deserve a new hospital. And on behalf of the constituency of Swift Current, Mr. Speaker, I would again respectfully request this provincial government approve their commitment for a new hospital in the city of Swift Current.

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

### Student Job Contest

**Mr. Van Mulligen:** — Mr. Speaker, Friday we got the big picture on jobs in Saskatchewan. Here's a nice little addendum — not as momentous, but in its own way more good news for Saskatchewan, and particularly Saskatchewan students.

Last Thursday, July 4, the Saskatchewan Human Resource Centre of Canada for Student Employment issued a challenge to

its Alberta counterpart to see who could place the most students in summer jobs in the one day — a friendly competition, as most of ours are, with our good neighbour. During the day, both provincial offices counted the number of full-, part-time, and casual jobs that came from local employers.

The results, Mr. Speaker? In Saskatchewan, 365 total jobs in one day. That's 68.1 jobs per 100,000 people in the participating centres. In Alberta, 336 total jobs or 33.14 jobs per 100,000.

We win, Saskatchewan, in total numbers and on a per capita basis. Like that football game on Friday night.

As I said, friendly competition. But I do like that number, 365 jobs for Saskatchewan students in Saskatchewan. And we'll add those to the 12,800 new jobs in June.

Thank you, Mr. Speaker.

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

### Saskatchewan Institute of Applied Science and Technology Achievement Scholarship

**Mr. Weekes:** — Thank you, Mr. Speaker. At a recent scholarship ceremony at Kelsey Campus, Stuart Redekop, who was a student in the machine shop program, was awarded a SIAST (Saskatchewan Institute of Applied Science and Technology) Achievement Scholarship. SIAST achievement scholarships are awarded to full-time students based on academic standing in both theory and practical and the individual's application of skill and initiative.

Redekop graduated from Delisle Composite School in June of 2001 and began his training at SIAST the following fall. Throughout his life he has been very active within the community and been a member of the Vanscoy multiple 4-H club for eight years, covering cattle, woodworking, and mechanics as projects. During that time he held executive positions and won many awards in public speaking and record books.

While growing up he was involved in hockey for twelve years and ball for seven. School kept him busy in addition to his studies with football, drama, outdoor education, cross-country running, and track and field.

Showing initiative, he started work as a farmhand with Ward's Red Angus in the summer of 1999 and still finds time to fill in where he can between classes.

Please join me in congratulating Stuart Redekop.

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

### ORAL QUESTIONS

#### Drought Assistance for Agriculture

**Mr. Wakefield:** — Mr. Speaker, my question is for the Premier. When I was home at my constituency last weekend, the only thing people wanted to talk about of course was the

drought. It's devastating — the Northwest and the north-central of Saskatchewan, and again this year there's just no crop, and there's no hay. In fact there's no grazing and very little water to be had.

This week in the Lloydminster *Booster* they describe the NDP's (New Democratic Party) approach to this drought as all talk and no action. Producers, and I quote:

Producers are asking the government to throw them a bone, but instead they're getting a bunch of hot air.

Mr. Speaker, this just further exasperates the drought. Now the farm families in north Saskatchewan are hurting. They've lost another crop and another year of livelihood and they're losing hope.

My question is, what action is the provincial government taking right now to help farm families survive this devastating drought?

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

**Hon. Mr. Serby:** — Mr. Speaker, I want to say to the member from Lloydminster — because I too travel in his part of the world, and plan on being there again in the near future and have an opportunity to speak with some of his producers and his farmers in his area — some of the things that farmers in Saskatchewan are saying, Mr. Speaker, are these things.

Over the last two years in this province, this government has delivered for — and in concert with the federal government.

This year, Mr. Speaker, we provided additional dollars for a crop insurance program which that member, and those members opposite, Mr. Speaker, will vote against, Mr. Speaker, I expect when voting against the budget, Mr. Speaker.

And this is part of the province . . . in their part of the province, Mr. Speaker, we implemented this year a grass program for producers across Saskatchewan of which their side of the province, Mr. Speaker, would be the greatest benefactors. And the member from Watrous stood up in her place and criticized the grass program in Saskatchewan.

People in the Lloydminster, and farmers in the Lloydminster area are saying that those members opposite — that party opposite and that group of men and women, Mr. Speaker—speak against agriculture, not for agriculture, Mr. Speaker.

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

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, my question is also for the Premier. Mr. Premier, drought is devastating in the Humboldt constituency also. For a large number of producers drought has wiped out any chance of a crop this year, and everyone in my constituency is feeling the pain.

While conversing with a large number of producers from areas such as Domremy, Vonda, Bruno, and up to the Humboldt area the people are asking, they want to know why the provincial government has left struggling farm families to face this

drought crisis alone.

Mr. Speaker, the agriculture crisis is the most important issue facing the legislature in this session. The Saskatchewan Party has consistently pushed the NDP to come up with a plan to help struggling farm families but so far all we have heard are a lot of NDP excuses.

Mr. Speaker, the people of the Humboldt constituency want to know when the NDP is going to stop making excuses and start taking some action to help our community survive this year's devastating drought.

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

**Hon. Mr. Serby:** — Mr. Speaker, it's interesting now, two consecutive speakers and maybe others from the Saskatchewan Party will be picking today, Mr. Speaker, to talk about the drought and the issues as it relates to the farming community in Saskatchewan, Mr. Speaker.

This is now July 9 in this province and across the country and the members opposite, Mr. Speaker, the members opposite have just woken up to the fact that we have today a farm crisis in Saskatchewan, Mr. Speaker — just woke up to the issue.

It's just been recently that the member of the opposition stood up, the Leader of the Opposition, and I said . . . not more than about two weeks ago, he stands up in the House and he says, I tabled for Saskatchewan people on May 1 in this province a statement that says we have a problem with agriculture in Saskatchewan. It's on May 1.

And today on a regular basis now, I'm hearing two members stand up and say, what are we doing. We have a litany of things, Mr. Speaker, that we've done for Canadian farmers and Saskatchewan farmers in the last year and a half, Mr. Speaker, led by this Premier. We're at work, Mr. Speaker, building an agricultural policy for Saskatchewan while the members opposite, led by the opposition leader from Rosetown, Mr. Speaker, is void of any ideas as it relates to agriculture in this province, Mr. Speaker.

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

**Mr. Weekes:** — Thank you, Mr. Speaker. I'd like to point out to the Deputy Premier that the Saskatchewan Party Ag critic has asked over 40 questions concerning ag-related concerns.

Mr. Speaker, my question is also for the Premier. Producers in my area of west-central Saskatchewan are also being hit hard by drought. Crops are being decimated and there's no feed and water for livestock. And in many places . . .

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

**Mr. Weekes:** — Mr. Speaker, producers in my area of west-central are also being hit hard by drought. Crops are being decimated and there's no feed and water for livestock. And in many places, the government has maintained road bans so producers can't truck feed in or truck livestock out. But so far all we've seen from the NDP is to cut agriculture funding by \$15 million.

Mr. Speaker, many farm families in my constituency consider the NDP to be part of the problem. With many areas of Saskatchewan enduring one of the worst droughts in the century, why has this NDP government left farm families in Redberry Lake constituency high and dry without an effective long-term safety net program?

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

**Hon. Mr. Serby:** — Mr. Speaker, on this side of the House, this government and this ministry and this department put together a year and a half ago, a plan for agriculture for Saskatchewan, Mr. Speaker. And it's clearly articulated, not only in this province, Mr. Speaker, but it's attached to what we're doing as a national program today in agriculture, Mr. Speaker.

So we've talked this year about putting additional dollars into crop insurance, Mr. Speaker. This year we've put additional money into a transition program, Mr. Speaker. This year we've put together for the very first time an expansion to our crop coverage program, Mr. Speaker.

On every occasion that we've put ideas and we've put money into the program and agriculture . . . and the member from Watrous whom he says has asked 40 questions, Mr. Speaker, has — but on each occasion stands up and is critical of every one of the programs that are going to help Saskatchewan people and Saskatchewan farmers, Mr. Speaker.

This is a government, Mr. Speaker, and a ministry and a department that's building agriculture in Saskatchewan. That's an opposition, Mr. Speaker, and a leader that's taking agriculture apart in Saskatchewan, Mr. Speaker.

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

**Mr. Gantfoer:** — Thank you, Mr. Speaker. Mr. Speaker, my question is also for the Agriculture minister because people in northeast Saskatchewan also understand that this government has cut \$50 million from the agricultural budget instead of doing anything real for producers. And now the drought has extended as far into the Northeast as the RM of Connaught who has declared itself a drought disaster area last week. That's north of Tisdale, Mr. Speaker, and the drought extends to that far part of the province.

Mr. Speaker, the Health minister gets up and talks about everything wonderful that he's doing for Saskatchewan farm families affected by drought. But what is he going to tell the people in the RM of Connaught about what he's really doing for agricultural families in light of the fact that this government cut the agriculture budget by \$50 million?

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

**Hon. Mr. Serby:** — What the opposition members don't talk about when they review the budget on agriculture this year, Mr. Speaker, is that in this year's budget we have not included the emergency payment for C-SAP, Mr. Speaker. That's not included in this year's budget. And if you don't include the C-SAP emergency money, Mr. Speaker, you will find that this year's budget in agriculture, Mr. Speaker, exceeds what last

year's budget in agriculture was, Mr. Speaker. It exceeds it, Mr. Speaker.

(14:00)

And the reason why it exceeds it, Mr. Speaker, is that we made investments this year in the crop insurance program — which those members, Mr. Speaker, will vote against. We made an investment this year in a transition program for farmers — which those members, Mr. Speaker, will vote against. This year, Mr. Speaker, we made an investment in the crop insurance cover program — which those members, Mr. Speaker, will not support.

And we've been talking about support money nationally, Mr. Speaker, for trade injury, of which finally the member of the opposition has got on board on. And I see and hear today, Mr. Member, member after member preparing themselves — Mr. Speaker, I expect — to step off the train, Mr. Speaker, as we work to build an agricultural policy for Saskatchewan.

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

**Ms. Draude:** — Mr. Speaker, my question is also for the Premier. Mr. Speaker, we have a government over there that's spending \$6 billion of taxpayers' money and hundreds of millions of dollars of Crown money, yet they have no plan for agriculture at all. If you want to know what we're going to do, call an election.

Mr. Speaker, this last weekend, I travelled my constituency and the main question that people asked me was, what is this government going to do for farmers in the drought area? Everywhere people asked me, why has the NDP abandoned farm families in this drought situation? The Premier owes the people of Kelvington-Wadena and right across this province an answer to the question.

Why has the NDP abandoned farm families struggling to survive a terrible drought? They are a proper long-term farm care safety net, and what specific action is the provincial government doing to help these desperate families right now?

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

**Hon. Mr. Serby:** — Mr. Speaker, this is a most interesting strategy today employed by the opposition party because, as you know, Mr. Speaker, in Saskatchewan today, producers across the province in spades are talking about how in fact the Saskatchewan Party has abandoned agriculture, Mr. Speaker. It's all over the place. And so today, the members of the opposition are standing up, and they're trying to find a place for themselves in the agricultural file.

Last week, Mr. Speaker, I quoted the . . . from the article from Mr. Kyle Kosior from Fillmore, Mr. Speaker. A long-time Saskatchewan Party supporter, Mr. Speaker, in that area of the province, and he says, Mr. Speaker, that he's disappointed with the involvement of the Saskatchewan Party in building agricultural policy because that party, Mr. Speaker, has been void of agricultural policy for the better part of a year and a half

And because of what's happened, Mr. Speaker, is that Mr. Boyd

has left the party, Mr. Speaker, has gone home to his farm, and agricultural policy has disappeared, Mr. Speaker, from the face of the Saskatchewan Party because he's the guy who was the leader who provided agricultural policy, and today they're bankrupt of any idea on agricultural policy, Mr. Speaker.

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

### Results of Governmental Restructuring

**Mr. Krawetz:** — Thank you very much, Mr. Speaker. Mr. Speaker, my question is for the Premier. When the NDP government unveiled its most recent budget at the end of March, it made much ado about government restructuring. The Premier announced he was eliminating approximately 350 public servants' positions and after departmental restructuring there would be a total reduction of four government departments. The public certainly expected to see a tighter run ship.

However, CBC (Canadian Broadcasting Corporation) Radio reported this morning that only 150 people were actually cut from the civil service, and senior management positions in government were only reduced by 32. They are also reporting that there are four bureaucrats who are still on government payroll but have been at home since the end of May because there is currently no position for them.

Mr. Speaker, the public was expecting more from this restructuring. Why has the Premier's restructuring process turned out to be so much less than originally announced?

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

**Hon. Mr. Calvert:** — Mr. Speaker, in terms of reorganizing and restructuring government, we indicated there would be four fewer departments. There are today four fewer departments.

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

**Hon. Mr. Calvert:** — We indicated . . . The critic has it right. We indicated that it would be a reduction of approximately 350 positions government wide. Mr. Speaker, there will be 350 positions less in government as we work through this and next year's budget. Mr. Speaker, we have downsized cabinet.

But what we have done, Mr. Speaker, here is not to attempt a hack and slash of the civil service that would be intended by the members opposite. I understand why they're not happy. They propose a hack and slash of the public service in Saskatchewan. We didn't intend to do that.

We intended, Mr. Speaker, to put together an organization of government that better serves the people of Saskatchewan and the needs of the future of this province. We've done that and we're proud of it, Mr. Speaker.

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

**Mr. Krawetz:** — Mr. Speaker, the Premier should consult with his Finance minister and find out the two sources of revenue for this government. Taxes and non-renewable resources are down \$600 million from two years ago — \$600 million. And the

Premier, you know, sloughs it off. In his March 26 communiqué, he says:

With these changes, (with these changes) Saskatchewan people will have a leaner, more efficient government . . .

Yet to CBC, he said that:

. . . people have to accept a certain degree of inefficiency . . .

In fact, he said, and I quote:

But if your fundamental goal is to reshape government in a way that better serves, that doesn't necessarily mean smaller government.

Mr. Speaker, the Premier led Saskatchewan people to believe that this was a large reduction and would benefit all taxpayers of the province. Mr. Speaker, now the people found out that not only were the cuts not that deep, the NDP is paying people to stay at home until they can find a job for themselves.

Mr. Speaker, why is the Premier now admitting to inefficiencies due to restructuring when he promised Saskatchewan people the exact opposite?

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

**Hon. Mr. Calvert:** — Point number one, the Saskatchewan Party should get a better research wing than the CBC. Mr. Speaker, when we spoke to the journalists, we took . . .

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

**Hon. Mr. Calvert:** — Mr. Speaker, if . . .

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

**Hon. Mr. Calvert:** — . . . if it wasn't clear before today, it's clear today the intention of the Saskatchewan Party should they ever form government — should they ever form government — it is their intention obviously to slash and hack at the public service of Saskatchewan. There is no doubt about that, Mr. Speaker.

They intend, and they volunteered so — the leader has volunteered — so to follow the BC (British Columbia) model which is disregard contractual obligations; that will disregard contractual obligations. And we all know and the people of Saskatchewan know what the Leader of the Opposition said before he assumed the post. He said, quote, in the *Moosomin World-Spectator* when asked about the public service, this is the Leader of the Opposition today. He said, quote:

Elwin Hermanson: "Before I agreed to run for the leadership I asked the MLAs: 'Do you know where the deadwood are? Do you know where the skunks are?' They assured me they know who those people are. Civil servants can be very powerful. Look what they did to the Devine government."

That's the attitude, Mr. Speaker, and that's not . . .

**Mr. Krawetz:** — Thank you very much, Mr. Speaker. Mr. Speaker, the Premier wants to hear what other people think about the government's plans or the lack of plans. Let's look at some of the things that Saskatchewan people are saying. Not only are they convinced that the Premier did not keep his word, other experts are pointing out that the NDP's restructuring was little more than cosmetic surgery.

Ken Rasmussen of the University of Regina calls the restructuring timid and superficial, saying it had more to do with politics and public relations than public policy. And the former NDP Finance minister Janice MacKinnon says the NDP government didn't go far enough. She says, and I quote:

It's not exactly clear to me what the priorities of the government are. I think that's part of what the concern of the public would be.

She also says the NDP government itself probably won't know if they've really saved any money with these moves for at least a year. Mr. Speaker, why did the Premier promise more efficiencies and tremendous cost saving with government restructuring if he had no intention of delivering?

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

**Hon. Mr. Calvert:** — Mr. Speaker, the most significant reorganization of the provincial government in 30 years is underway — underway under the leadership of this government.

Now, Mr. Speaker, I want to quote a more recent comment, October 2, 2001, from the current leader of the Saskatchewan Party who said, quote:

I've been watching closely what is happening with the new government in British Columbia. One initiative I believe holds tremendous value for Saskatchewan is a project launched by Premier . . . (Calvert) called the Core Services Review . . . A Saskatchewan Party government will launch a similar Core Services Review in this province within 30 days of taking office.

Here's the result of a core services review — 11,700 jobs axed in British Columbia. My question today to the Leader of the Opposition, and the question that the people of Saskatchewan are asking, is: which public servant jobs are they going to axe? Are they going to axe the 88 new people we put into the fighting of fires in the North? Are they going to axe those people? Or under his program of cutting \$50 million from Social Services, are they going to axe the new child protection workers? Where are the jobs they're going to axe? Where are the deadwoods and skunks that he talks about?

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

### Legislation for Paramedics

**Mr. Gantefoer:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Health. In April The Paramedics Act or Bill 38 was introduced by the Minister of Health. And in a government press release that day the minister stated the Bill would, and I quote:

. . . improve the quality of emergency medical services for the people of Saskatchewan.

In fact the news release goes on to say that this legislation is part of the government's broader goal of improving Health Act services and access to care. However since the Bill was given second reading on June 6, it has not moved any further and there is no indication that the NDP plans to move it forward.

Mr. Speaker, does the minister intend to give Bill 38, The Paramedics Act, third reading and Royal Assent before this House prorogues?

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

**Hon. Mr. Nilson:** — Mr. Speaker, this Bill will not go forward in this session. There have been a number of issues raised by municipalities, by fire departments, around the fact that about 2 to 300 EMT (emergency medical technician) people are working in the fire departments, and some of the issues that relate to the kind of work that they do need to be resolved before we proceed with this legislation.

We are going to continue to work with all of the people involved because it is important to have paramedic professional legislation, but we need to do it in a way that includes everybody. And rather than push the whole thing forward now, we're going to end up taking another number of months to sort out these various issues.

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

**Mr. Gantefoer:** — Mr. Speaker, this legislation will regulate and set professional standards for the approximately 1,800 EMS (emergency medical services) personnel in Saskatchewan. The Bill is widely supported by the College of Physicians and Surgeons, the Saskatchewan Registered Nurses' Association, the Saskatchewan Paramedic Association, and the Saskatchewan Emergency Medical Services Association.

They are supportive because this legislation would ensure emergency service personnel who now follow professional standards, just as they do, and because the legislation would ensure a high, consistent level of patient care.

Mr. Speaker, this minister is the problem for not consulting with the Association of Fire Chiefs, and now he's going to delay essential legislation because he didn't do his homework correctly.

Mr. Speaker, we said in second reading that this was an important bit of legislation that should be passed, and now the emergency measures paramedics are concerned about the fact it's not going to pass.

Mr. Speaker, we will give the minister our support to seeing, too, that this legislation is passed. Will he move it forward?

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

**Hon. Mr. Nilson:** — Mr. Speaker, one of the things that happens with legislation when you're working on it, especially when you're working on professional legislation, is that there



are areas where some of the jobs overlap or are related to other kinds of jobs. And in this particular case, there are some very interesting issues around fire . . . the fire service in our municipalities and the emergency medical services that are provided through the various health districts. And these kinds of issues are not just Saskatchewan issues; they're Canadian and, in fact, North American issues.

We want to continue to take a look at this particular thing because I do agree with the member opposite — there are . . . there is much support for this kind of legislation. But the legislation has to go forward in a fashion that covers all of the various options that are identified.

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

(14:15)

**Mr. Gantfoer:** — Thank you, Mr. Speaker. Mr. Speaker, the minister should know, if he's done his homework, that the Saskatchewan Paramedic Association has worked for five years with this government, trying to get this legislation brought forward. And here we are near the end of the session and finally the minister says, oops, I didn't consult properly with people who have a legitimate stake in the concerns addressed by this legislation.

Mr. Speaker, the paramedics association has worked five years on this legislation and they're very concerned that they're not going to be able to trust this government to see to it that this legislation is properly brought forward.

Mr. Speaker, this legislation is on the floor of the House today. The official opposition — Saskatchewan Party — is prepared to support it. Will the minister bring it forward?

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

**Hon. Mr. Nilson:** — Mr. Speaker, let's talk about a basic fact that happens as it relates to professional legislation. In this particular case these people, who are involved in going ahead with this legislation, have to deal with all of the various people involved. How we go ahead with professional legislation on this side of the House — and there are 27 pieces of professional legislation in Health — is to make sure that the groups themselves work with others.

In this particular case, that member opposite got a call in the last 48 or 72 hours and all of a sudden he's got a big position on this one. And I guess what I would say, Mr. Speaker, is we on this House are going to work over the next five years to make sure we get the legislation right, however long it takes; because what we know is, we will never let those members on that side get involved in preparing the professional legislation because they don't have a clue how to do it.

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

**The Speaker:** — Order, order.

#### ORDERS OF THE DAY

#### WRITTEN QUESTIONS

**Mr. Yates:** — Thank you, Mr. Speaker. I stand today on behalf of the government to convert written questions 436 through 440 inclusive.

**The Speaker:** — 436 to 440 converted to orders for return (debatable).

#### GOVERNMENT ORDERS

#### COMMITTEE OF FINANCE

#### General Revenue Fund Saskatchewan Water Corporation Vote 50

#### Subvote (SW01)

**Hon. Mr. Osika:** — Thank you, Mr. Chair. And I would like to introduce to you and to the members, the president of Sask Water, Stuart Kramer to my immediate left; vice-president Wayne Dybvig who's the vice-president of water resource and infrastructure management, behind Mr. Kramer; Tom Gehlen, who is next to Mr. Dybvig, who is the vice-president of the utility and engineering operations; and Terry Hymers who's our corporate comptroller.

**Mr. Brkich:** — Thank you, Mr. Chairman. I want to welcome the officials here and start with some of the questions that were dealt with today in question period. Some of the members were getting up today and talking about the drought that's been happening in . . . through their constituencies with dugouts basically drying, the wells drying up.

What is Sask . . . is Sask Water doing anything at all to address some of these problems in them areas?

**Hon. Mr. Osika:** — Thank you, Mr. Chairman. For the member, there has been a 25 per cent increase in the pumping units that have been obtained in order to assist people that are in a situation where they have a shortage of water. That's trailer units and a mile each of pumping units as well.

And the member may remember as well that there was an announcement some time earlier in recognition of the impending drought and perhaps shortage of water, that Sask Water had agreed to reduce by 50 per cent the cost of pumping any of these water . . . over 1 mile.

So there has been some significant matters that have been taken to address the . . . what's happening throughout the province. And we continue to work with people right across the province and work with communities in addressing their needs in this type of a situation.

Happily and once again we are very, very thankful — I'm sure all the people are in those areas — that we're fortunate enough to see mother nature recognize that there was a great deal of distress, and that we've had a significant amount of rains in some of the areas of the province that really looked like they were going to be in a lot of trouble. But happily that problem has been reduced, again I say in some areas.

In those areas that continue, continue to suffer severe stress as a

result of a lack of moisture, there are ways that perhaps we may continue to address those water shortages in those areas. But again the ongoing commitment to work with communities, to address the shortages of water in dugouts, and however we can best utilize the technological and experienced staff that we have to try and help people overcome these problems. And again, to help people, working together with people to help overcome these problems.

**Mr. Brkich:** — Thank you, Mr. Minister. Mr. Chairman, dealing with that, you'd said 50 per cent, a reduction, was it for the first mile or anything after that? I wasn't sure.

Can you give me the cost figure of what you charged for pump rental last year and what you've taken in so far? And how much this will cost in the future . . . this program by reducing by 50 per cent.

**Hon. Mr. Osika:** — Mr. Chairman, I'd like to first of all apologize and clarify for the member that it's over 1 mile would be reduced by 50 per cent cost. I think maybe I confused the issue by saying it was less than a mile. But it's . . . did I say less than a mile? I apologize for that.

But anything over a mile the costs are then reduced by 50 per cent, which should indicate a significant savings for people that need to go to that extent to draw water.

**Mr. Brkich:** — Thank you, Mr. Minister. Can we talk over the mile? When we are talking about cutting the rental rate by 50 per cent, you talking about the cost of the pump or . . . and is also the piping also included in this? What does it . . . what is a normal rate that you charge for pump rent and for piping?

**Hon. Mr. Osika:** — Mr. Chairman, the normal cost for the one mile, which includes the pump and the pipes, is \$410. Now the regular cost for the additional mile was \$205. That has been reduced to \$100. So it is some help for those people that need to go that extra mile.

**Mr. Brkich:** — Thank you, Mr. Minister. How many people have taken you up on this new program?

**Hon. Mr. Osika:** — Mr. Chairman, I'm told that up to this point in time we have had 410 applications and just over 100 that are over the . . . require the additional mile.

**Mr. Brkich:** — How much money was taken in last year on pump rental and piping rental?

**Hon. Mr. Osika:** — Mr. Chairman, the total amount, I'm told, was \$425,000 for this aspect of the dugout pumping program, as it's referred to.

**Mr. Brkich:** — Thank you, Mr. Speaker. For last year, would that be considered cost or was that considered a revenue when you figure out your capital costs of your equipment . . . of the equipment you purchased, stuff like that? Would that be . . . how much of that would be considered revenue? Would you have a breakdown of that?

**Hon. Mr. Osika:** — Mr. Chairman, the program is set in such a way that it's cost recovery or revenue neutral. That's how the

program's established in order that it winds up revenue neutral.

(14:30)

**Mr. Brkich:** — Thank you, Mr. Minister. Mr. Minister, I'm glad to hear that. The question I was going to ask on this year, how much money have you taken in so far?

**Hon. Mr. Osika:** — Mr. Chairman, to the member. As you will appreciate, as the member will appreciate, that the season's not yet over and up to this point there are only the 410 applications. But it is anticipated by the corporation that the costs . . . the dollar amounts will not be much different than last year. So we're looking in that 400,000 — what did I say — 425,000 range. So there shouldn't be much change.

We still have some time to go that people may in fact want to avail themselves of this program. So that's just a very tentative . . . it's difficult to say what the final amounts will be.

**Mr. Brkich:** — Thank you. With drought conditions persisting in the northwest part of the province, are you looking at doing any other assistance there, in that general area, especially with some RMs (rural municipality) that have declared disaster areas? Are you looking at doing something for them?

**Hon. Mr. Osika:** — Mr. Chairman, to the member. I wonder . . . I'd like to respond to that question in this fashion. And again in previous discussions, it's been pointed out that Sask Water technicians have been constantly engaged with communities to try and assess and determine potential problems within communities.

I am told that over the winter, or last fall, there were something like 500 communities that were surveyed and another 117 that were followed up this April that appear to perhaps have potential problems.

Now the purposes of these surveys were twofold. One, very clearly to determine what the problems might be or what the potential problems might be; and the other to assist communities where it looked like for certain there might be a problem, offer some technical advice, assist them in determining access to groundwater, and also assist them perhaps in determining locations for underground water sources as well.

So it's, once again, we go back to the co-operative spirit between the technicians from Sask Water, the communities, and those that may be faced with some situations requiring technical assistance and/or advice because it's not . . . people are not compelled to take only the directives or the advice of Sask Water.

They certainly can avail themselves of going to other technicians and sources for assistance and/or advice. But the bottom line is that the Sask Water Corporation is there to do the surveys; to alert people, if you wish, to potential problems; and also, perhaps, offer some advice as to how they might deflect or circumvent some of the impending problems.

**Mr. Brkich:** — Thank you, Mr. Minister. I think the people that are facing them drought situations, I think they're long in

advice but short on financial aid, and that's probably what they are looking for.

With that federal package that was announced a short time ago, it also dealt — I'm looking at it — dealt with some well digging and dugout assistance. There was money in that; how much of that will be coming to Sask Water to work with them? Are they also throwing in some matching?

Can you give me if it's going to affect your budget for this year with that program that was announced with the federal ag package?

**Hon. Mr. Osika:** — Thank you, Mr. Chairman. And that is a good question, I must say to the member. But the short answer is that there is no money that goes to Sask Water. That money is directed to PFRA, (Prairie Farm Rehabilitation Administration) who will be working on water source locations. So it's a federal program that will be enhancing the ... be enhanced by the federal money.

Having said that, it may not be finalized totally what further steps the federal government might see fit to take in addressing the drought problems. But as far the program the member is referring to, Mr. Chairman, I guess as I answered, there's no money that's going to Sask Water.

**Mr. Brkich:** — Thank you for the answer. We're talking about towns and villages pumping water. I have a town of Liberty that I believe is pumping water to their town well. Can you tell me what assistance is available to them?

**Hon. Mr. Osika:** — Mr. Chairman, the ... what I'm told is that Liberty is using Sask Water pumping equipment, and at the reduced rate that we had spoken about earlier for the length, I'm told, I believe it's seven miles that they have to pump their water. So they will benefit from that 50 per cent reduced rate on the over the 1 mile.

**Mr. Brkich:** — Thank you, Mr. Minister. Will there be any grants available to them through Sask Water for towns like that that have to pump for a sustained period of time? I would take it that they're going to be pumping through most of the summer, I believe.

**Hon. Mr. Osika:** — Mr. Chairman, there ... I guess ... and it's not the kind of short answer that anybody likes to hear, that there are no grants or there is no funding, special funding available.

But I do want to once again point out — and here's another example of the technicians and people in Sask Water that are prepared to work with communities to try and overcome their problems right on site —that Sask Water technicians have offered the town of Liberty or the village of Liberty the opportunity to participate in having Sask Water assist them with their water treatment plant right on site. Once again, that would be on a cost recovery basis.

So I guess the short answer that nobody wants to hear is no, there are no grants. But hopefully that, again, working with those small communities and under some of the various other opportunities through municipal financing or reserves and some

other fashion, that communities may be able to evaluate their situations, evaluate their needs, and determine whether or not they proceed with any projects which will involve financing.

**Ms. Draude:** — Thank you, Mr. Chair. And to the minister and his officials, Mr. Minister, I have a couple of questions from constituents. One of them is regarding a permit that has been requested from Kipabiskau Lake for irrigation ... for an irrigation project. The application was put in a while ago and we were wondering what the state is of this application.

**Hon. Mr. Osika:** — Mr. Chairman, I'm told that there's some uncertainty whether there's been formal application made for ... to take water from that particular lake. The other thing I'm told is that there's ... It's a controlled structure that's owned by the regional park, and there are concerns, and there are other lakes in the area that are part of this chain apparently.

There needs to be apparently a determination as to whether or not the water in those lakes is sustainable if they become involved in an irrigation project. The water levels, quantities, and the like are of a concern.

There is ... one other issue that needs to be dealt with is the determination of the land and the area to be irrigated whether or not it is suitable for irrigation.

Now those are some of the technical aspects that are ... that people are being faced with at this point. But again I go back to the assessment needs, both of the water supply and the suitability of the land. But most importantly, a determination as to whether or not there has been formal application made.

There may have been inquiries made, and if there is a hold up in responses to whether it would be allowed or not, it would be as a result of the assessments that would require to be made in order to determine whether it's worthwhile going through the application, or if it's ... if it would just not be a viable operation.

**Ms. Draude:** — Thank you, Mr. Minister. The member from Watrous I believe asked that question on this issue probably two to three weeks ago, and she was told at that time that someone would be getting back to this constituent and give him the answer.

If there's some question as to whether there was a formal application made, then I guess the constituent should have been made aware of that because he has been waiting. At the same time, if there's questions on whether it's going to be viable, if it's going to affect the water table, again this is something that the constituent should be made aware of and have an open discussion with him.

Everyone knows right now with the drought problem in our constituency, if there's anyone still having faith in this province that the people are working towards a solution should be dealt with.

(14:45)

So, Mr. Minister, I will give you the number of the constituent after this proceedings ... after these questions and perhaps you

can get a hold of him as quickly as possible because he is very frustrated, waiting for a response from your department.

I know he feels that an application has been received, has been sent in, and he is waiting for a reply. I'm sure that the permit process is something that should be available quite quickly because you must have the information available on the waterways and what would be considered feasible or not when it comes to irrigation. So on this issue then I'm going to ask you to . . . if you will get a hold of them, of this constituent.

In another area I've had two villages phone me because of a lagoon pumping . . . lagoon pump-outs this spring. Normally with runoff, when the lagoons are pumped, it isn't affecting the waterways, the natural runoffs . . . the natural waterways or even the C&D (conservation and development) ditches that are connected to the lagoons so the water can be discharged. But this year with no runoff it's caused problems in two areas, and I think your office has received information from both of those towns.

But now they're wondering if there's . . . the soil is . . . is the soil contaminated? Is there some way that they can actually . . . if some determination has been made that this is something that . . . if we have another drought is this going to be happening again? What is your department doing to work on this issue to ensure that people who have land right along a lagoon pump-out area aren't going to be adversely affected in future years if this drought continues?

**Hon. Mr. Osika:** — Mr. Chairman, I want to thank the member for that question. It is very valid and one that is of concern to many of the small communities around the province that may be faced with similar situations.

The member again will know . . . First of all, I want to respond to the initial concern about the application. There will be a response, an immediate response to that. I'll give the good member my word that that constituent will be contacted with respect to the application . . . (inaudible interjection) . . . Well probably later today.

Now on your other concern, droughts are . . . How do you plan for drought? And they, always being unexpected and as widespread as they have been this year, offer different challenges for different reasons in different areas and communities.

As the member knows with the province here over the last couple, three months we've been working very diligently on a long-term water strategy program which will work towards protection of water by the Watershed Authority right at source, right to the drinking water tap, and any other matters that may be involved with getting the water from point A to point B and discharge of water and so forth.

So I guess what I can say to the member is the two particular communities that the member has a concern about, I would appreciate having the names of those communities to have officials contact, people contact the folks as quickly as possible.

And the only other thing I can say, as far as some assurance for the future is concerned, is that it's an ongoing, well if you want

to refer to it as a labour of love or a work in progress that will be continued to ensure that we do have safe water sources and safe drinking water and try to protect those people who may be in situations where they have some concerns about contamination.

Let's face it we all very desperately want to make sure that, regardless of our situations — whether in rural Saskatchewan, urban Saskatchewan, towns or villages — that we do our very, very utmost to ensure that people are safe, given the experiences that this country has recently gone through.

So there is that commitment to work with communities. And if the member will send over the names of those communities, I will have officials contact them immediately.

**Ms. Draude:** — Thank you again, Mr. Minister. And yes the contamination and the type of thing that happened in North Battleford can't be allowed to happen again, when you have small communities that have very little tax base and they're working hard to ensure that they have safe water supplies and a sewage system that is up to all of the standards that are set by your department.

Mr. Minister, my final question is on, I think it's a rumour that I've heard, but I want you to squelch this rumour because it's causing a lot of concern for the people that have phoned me. And that is that someone has told me that a well that is being used to supply water for a very large herd of cattle was checked out by department officials from Sask Water. And there was some word that there could be some charge for using well water on your own property.

Is that something that you've heard of, are considering, is in the works? Just please tell me it's a rumour.

**Hon. Mr. Osika:** — Mr. Chairman, I apologize to the member for the slight delay in coming up with a response. But you know when you want to squelch a rumour, you want to be absolutely certain.

So what I can say to the member is that there is an industrial water usage policy for major businesses. For example, if they discover water . . . if a potash company discovered water or whatever, they could be charged for that use. But having said that, for ag-related businesses, no, there is not. For the agricultural operations, there would not be any charge.

So I hope that puts that rumour to rest.

**Ms. Draude:** — Mr. Minister, just a follow-up question now then. Because we are in the process of changing, of putting hog barns under Labour Standards and maybe making an exemption under the Act now, does this mean that someone who has a hog barn could be considered not in agriculture?

**Hon. Mr. Osika:** — That is still an agricultural operation, so they would not be affected as would the . . . what I mentioned about the industrial water users. So the agricultural sector would not be affected.

**Ms. Draude:** — And, Mr. Minister, that can't be changed by regulations sometime in the dark of the night?

**Hon. Mr. Osika:** — That is government policy and with no intent at this point in time to review it or change it. And I don't know why there would be, just offhand, but we want to make sure that people in the agricultural sector are not adversely affected so it would be difficult to suddenly turn around and say well, you find a well out in your back forty, then we're going to charge you for it. I don't think that would be appropriate.

**Mr. Brkich:** — That's good. I'm glad that you've said that and we'll hold you to that, Mr. Minister.

Going through the budget here, some of the items here, I notice on Crown corporation debt, you have \$43 million. Is that still a . . . it was forecasted; is that still fairly close to what it is? Can you tell me what some of that debt was incurred as?

**Hon. Mr. Osika:** — Mr. Chairman, the bulk of the debt is . . . can be attributed to the two regional water pipelines — the Wakaw-Humboldt and the Melfort treatment facilities — that had been invested in. And that's where the . . . some 30 to \$35 million is invested.

**Mr. Brkich:** — Thank you, Mr. Minister. In 2003 I see projected debt going up to 53 million. What are you planning on building or buying?

**Hon. Mr. Osika:** — Mr. Chairman, to the member. Some of that debt that will be incurred will be as a result of some cogeneration projects. And one of the . . . over and above the cogeneration projects, there will be that extension of the Saskatoon water supply to Hague which was raised as an issue earlier this spring, the lack of water in that community. So Sask Water will be assisting by investing to assist.

SaskPower at the Cory Potash Mine . . . SaskPower and Sask Water will be involved in the cogeneration project as well.

So that's basically, that's not the total 10, but that's the . . . those are the types of investments that once again are either partnerships or addressing with communities the need to address their water concerns or issues.

**Mr. Brkich:** — Thank you, Mr. Minister. On the cogeneration with the Cory Potash Mine, can you do a follow-up of how much money you need for that and exactly what's going to entail between you, SaskPower and the Cory Potash Mine?

**Hon. Mr. Osika:** — That particular one, the Cory Potash — the cogeneration, I'm told is \$2.7 million, thereabouts. And then the Hague is \$3.8 million. So the Hague pipeline connecting — or getting water from Saskatoon — so that takes up a good chunk of the additional costs that will be incurred.

(15:00)

**Mr. Brkich:** — Thank you, Mr. Minister. On the Cory potash mine, you'd mentioned that you're going in partnership with SaskPower. Can you give a little more detail on what kind of partnership with that? And are you taking a pipeline to that? Is that the reason of the added cost?

**Hon. Mr. Osika:** — Mr. Chairman, our costs basically include the pipeline for the water which will be required for that

cogeneration project.

**Mr. Stewart:** — Thank you, Mr. Chair. Mr. Minister, I'm sure that you're aware that there are repairs, I believe you would call it, being done to the dam at Avonlea. I wonder if you could outline to me and to this Assembly what repairs are being made and what stage that work is at.

**Hon. Mr. Osika:** — Mr. Chairman, the repairs that were required for that particular dam and I think the member recalls, we had some discussions about that. And I'm familiar from previous meetings. It was to decrease the slopes, I believe, and improve the spill lay, as it was an inlet drop program. And that phase 1 is completed. That is done.

The phase 2, which is still under consideration, is once again a deliberation with the community to determine the financial viability, feasibility, determination as to whether or not to proceed to phase 2 which means increasing the capacity of that reservoir. And we have had some meaningful meetings with respect to long-term benefits for increasing the size of the reservoir. But those circumstances are still under deliberations because of financial considerations, immediate financial considerations.

And I know, Mr. Chairman, and I've shared with the member that in the long-term we've heard what the potential benefits could be to the community. And given some of the direction that the government is taking with respect to rural revitalization and certain other projects, feedlots, that it may very well . . . this is an opportune time to be talking about and deliberating on the benefits of increasing the reservoir. But as well, the financial implications need to be taken into account as well.

**Mr. Stewart:** — Thank you, Mr. Minister. I know that, Mr. Minister, that you have been in consultation with the community and particularly with regards to the feedlot project and I commend you for that.

I wonder if you could outline . . . I understand the expansion, the phase 2 expansion proposal is about three metres of height on the dam. And I presume that that would also entail the purchase of some extra land surrounding the dam. I wonder, is there a cost figure available for that phase 2 dam expansion?

**Hon. Mr. Osika:** — Mr. Chairman, I can tell the member, in consultation with my engineers and the officials, that a two metre rise for that dam would cost in the vicinity of \$2.4 million.

**Mr. Stewart:** — Thank you, Mr. Minister. I'm sure that you're also aware, Mr. Minister, that the village and surrounding municipalities are prepared to help with that cost. While the feedlot option is still available to us, they are willing to help with that cost anyway.

I wonder, Mr. Minister, if you see the urgency in increasing the size of the dam and taking advantage of this window of opportunity to share costs with the local communities while that offer still exists?

**Hon. Mr. Osika:** — Mr. Chairman, yes, and I know the members will appreciate that I, as well, can see a lot of the

benefits that would accrue to the communities involved. And I can say that we are in fact still discussing the potential for going ahead while there's some work being done.

It makes a little more sense, if you can save some money in the long-run by carrying out some excavations or whatever to achieve an increase in the size of the reservoir, that it might be undertaken better sooner than later. And again to save some money.

But we are discussing the potential again and the possibilities with those communities — and the members know which they are — and that's where it's very, very important. I think more important than ever. Probably not only in this situation, but anywhere where we need to partner up with communities for various projects.

There is still no determination of the source of the money to proceed at this point in time. But the good thing is, the positive thing is, that we are still discussing that potential and hoping that we can come up with some suitable arrangement where we can access the money. And I know the communities are prepared to work with us on that. But it all comes down to that source of those dollars, but we're continuing to talk about it.

So I can assure the member we've not just shelved it and said forget about it, we have nothing further to do with it. That's not so. So I can give you that assurance.

**Mr. Stewart:** — Thank you very much, Mr. Minister. I do appreciate that. And the community of Avonlea and surrounding municipalities will as well.

I do hope that something can be done in the near future on that project. And I, on behalf of my constituents, I appreciate your efforts to make that happen.

Now I think that is about all I have for questions. And I'd be happy to turn you back over to the capable hands of the member from Arm River.

**Mr. Brkich:** — Thank you for the compliment. Can you tell me what the travel was for 2001 for in province and out of province?

**Hon. Mr. Osika:** — Mr. Chairman, the total amount of travel for Sask Water was \$1 million, of which \$30,000 was out of province and the balance in province for all staff and all participants with the corporation . . . within the corporation.

**Mr. Brkich:** — Thank you, Mr. Minister. I actually . . . I think, in province was \$1.3 million, and out of province was \$36,000.

How come so much in province? \$1.3 million, that's to me, like a lot of money for travel.

**Hon. Mr. Osika:** — The member is correct in referring to that 1.3 million. That three . . . that point three is considered as a grant for a water control program. So it's grants to clients under that water control program so it's not actually been attributed as actual meals and travel for staff. But the purpose for the costs within the province, they're substantial given the piping, the water pumping stations, the . . . there's a significant amount of

— and the surveys that I mentioned — over 500 communities that were surveyed last year with respect to potential needs in the spring of the year or what the water situation might hold, and then the revisit to those communities in the spring of the year.

So it doesn't take much to, you know, much of that to add up. And I appreciate that. It seems like a lot. But when you have the vastness of our province, and particularly given the significant attention that needs to be paid to our entire water strategy program and the attention that's been received to not only our access to ground water but well water and concern about contamination of waterways and so on, there's been a great deal of emphasis placed on ensuring that people are right on top of what's going on in any and every area of this province that may be affected by something that's not right with our water systems.

So it's . . . it seems like a lot. But when you break it down to all the requirements and the essential needs of communities with pumping stations and treatment plants and so on that rely on Sask Water for assistance in any way, shape, or form. That's primarily where that expense is occurred . . . incurred.

(15:15)

**Mr. Brkich:** — Thank you, Mr. Minister. You talked at the beginning, when you got up, about grants. Can you follow up a little more about . . . they . . . you said it just wasn't travel, you said some of it was grants for water advisory. How much of that . . . Was that for Sask Water workers, or is that for employees, or was that for people that are just on boards? And how much of that travel goes to that?

**Hon. Mr. Osika:** — Mr. Chairman, the 1.3 was the total amount for travel, okay, for Sask Water. Now the implications of the extra \$300,000 is that is seen as a separate grant from Treasury Board, strictly for water control programs. And a lot of the staff — Sask Water staff — that travel to deal with Watershed Authority people and discuss various aspects of water control, would charge their travels against that particular \$300,000 grant.

I guess, and it all boils down, the \$1.3 million is the travel for all Sask Water employees. But the Treasury Board has the \$1 million in regular travel and, in addition, \$300,000 as a specific grant to Sask Water for this water control program.

I know it may seem like a complex way or trying to muddy the waters in some way, shape, or form. That's not it at all. It's to try and charge back against specific programs what the costs involve, and at the end of the day rationalizing whether or not the \$300,000 was in fact adequate or insufficient to meet the needs of the intent of that water control program.

So all in all, the member is correct in the fact that it's \$1.3 million travel. And that travel is charged back to Sask Water, which Sask Water needs to be accountable for under review or under audit.

**Mr. Brkich:** — Thank you, Mr. Minister. On the out-of-province travel — 36,000 — was that to go to conferences or was that dealing with engineers hired to do work

out of province?

**Hon. Mr. Osika:** — Mr. Chairman, and I do have a breakdown for the member. And the member is correct, that it does involve the bilateral agreements, primarily, that we have with our good friends to the south with respect to various problems such as the International Souris River Board meetings, as an example, the Bismarck, North Dakota. Once again these meetings are held in different locations within reasonably close proximity to our border. So that's primarily where that 36,000 . . . or where that travel money has been spent.

**Mr. Brkich:** — Thank you, Mr. Minister. How much money did Sask Water receive from your sister Crown, SaskPower, for water that was used to generate power at Lake Diefenbaker?

**Hon. Mr. Osika:** — The amount for 2001 was \$6.475 million.

**Mr. Brkich:** — Thank you, Mr. Minister. Is that up from normal years or down, or is that pretty well the average?

**Hon. Mr. Osika:** — Mr. Chairman, the average is about 8 to \$9 million, so it's down a fair amount and the member will probably appreciate some of the reasons for that. But still it's income that's very much appreciated.

**Mr. Brkich:** — Thank you, Mr. Minister. With that income, do you use that to pay down capital costs or to pay down the debt that has been incurring with Sask Water and has been growing slowly over the years?

**Hon. Mr. Osika:** — Those monies, Mr. Chairman, go into the general operating revenues of Sask Water.

**Mr. Brkich:** — Thank you, Mr. Minister. What would it cost Sask Water? Do they run . . . I don't believe that they run the power plants there. Would there be any cost associated with that \$6 million coming in — that revenue — that would generate that, that would be . . . that you could pinpoint as an actual cost there?

**Hon. Mr. Osika:** — Mr. Chairman, I'm told that the monies that we receive are considered royalties from SaskPower for water use. And once again as it's explained that if there . . . the more water there is in the Gardiner dam, the more money we get back from SaskPower. I'll bring that to the attention of my seatmate that we'll have to increase the level of the water in the Gardiner dam because . . . but that's the way it operates. And I guess the reason for the reduction in the amount of money received by Sask Water in recent years is because of the lower level of the water in the Gardiner dam.

**Mr. Brkich:** — Thank you, Mr. Minister. I think the answer to my question was . . . I think that answered my question. That 6 million is revenue. There's very little cost to generate that \$6 million revenue was the gist of my question. And if I'm right in that, the money you said gets dropped back into Sask Water general revenue, does that help pay for programs? Or where does that money go to?

And also I would take it from the other dams that you generate money from could be quite significant. It should have been to 10, I'm guessing over . . . just going by that one, it should be

well over \$10 million that you've generated that should be able to basically pass back to the taxpayers.

**Hon. Mr. Osika:** — Mr. Chairman, the member will know and we've talked about some of the other projects that Sask Water is currently involved in ensuring their stability, at Avonlea for example. So Sask Water is responsible for ensuring that the Gardiner dam . . . we're responsible for maintaining the Gardiner dam.

Now the monies that are received by Sask Water go into the general water management programs that we've discussed and that Sask Water is involved in throughout the province. Once again, it's money that's put back; it's recycled if you wish, again to support the kinds of programs and assist people in those areas where they may require, may require some assistance with their water problems.

**Mr. Brkich:** — Thank you, Mr. Minister, for that information. With the restructuring of Sask Water, I believe C&Ds (conservation and development authorities) now will be going under the Environment. And I know that when I've talked to a few presidents of associations of C&Ds and I think they're . . . and also when I was at their annual convention they had expressed to me that they would sooner stay under Sask Water than go under the Environment.

Have you had any meetings with them or have you consulted with them to see how that transition process has been going and is it going to affect them? Not that I guess . . . like the one president pointed out to me, we don't get any funding any more anyways, I guess, so it almost can't be any worse. But they're more worried about the rules and regulations could be changing if they changed departments.

**Hon. Mr. Osika:** — Mr. Chairman, I hope the member's question doesn't have anything to do with the ministers involved with each of these portfolios. But I want to assure the member that the C&Ds will be moving intact over to the Watershed Authority. And since Sask Water will be a commercial utility — will be a solutions provider — this was felt to be more reasonable in having the C&Ds moved to the Watershed Authority, as opposed to being part and parcel of the solutions provider for communities and participate within a commercial utility operation.

**Mr. Brkich:** — Well thank you. I don't know if you answered my question, if you consulted with them, but I know that they were hoping that they would stay under Sask Water.

Just one question I think, about a monitoring station on the Alberta/Saskatchewan border that's operated by the Prairie Provinces Water Board. What is the cost of that and what's its primary function?

(15:30)

**Hon. Mr. Osika:** — Mr. Chairman, the question the member asks, I'm sure he's familiar with it, but that particular board administers the agreement on the apportionment of water, and the federal government pays 50 per cent of the costs. The other 50 per cent is shared between Manitoba, Saskatchewan, and Alberta. The actual cost to this province is about \$40,000.

**Mr. Brkich:** — Thank you, Mr. Minister. I see our time is just about up, so I have one more question but in that I will thank your assistants and staff for assisting you in questions. And I thank you for the answers.

The last question I have is, deals with the channel leading to Marquis from Lake Diefenbaker to Buffalo Pound, and it goes through the RM of Marquis. And I know that there has been talk a couple of years ago of straightening that channel and digging it deeper because there was a couple of problems with a couple of bridges that were there, of whether the RM should be paying for them or Sask Water or Department of Highways.

In this year's budget is there any money going towards either fixing the bridges or have you moved more in the direction of restraightening that channel and doing quite a bit more work on it?

**Hon. Mr. Osika:** — Mr. Chairman, to the member, there are no plans in the immediate future to proceed. But the plans are still underway. Again this is like a work in project. There has not been any monies budgeted for this year to do anything on that, but there will be if we can continue to work with Highways and other areas that will be involved.

So if in fact, Mr. Chairman, as the member indicated that would be his final question, I hope that's answered it. I want to express my appreciation to the members opposite for the questions that they've raised, and also my appreciation to the officials that have assisted me here this afternoon and will continue to assist people throughout the province with any concerns with respect to Sask Water Corporation's responsibility areas.

Thank you very much.

Subvote (SW01) agreed to.

Subvotes (SW02), (SW03) agreed to.

**General Revenue Fund  
Lending and Investing Activities  
Saskatchewan Water Corporation  
Vote 140**

Subvote (SW01) — Statutory.

Vote 50 agreed to.

**Hon. Mr. Osika:** — Mr. Chairman I move that we report progress and ask for leave to sit again.

**General Revenue Fund  
Government Relations and Aboriginal Affairs  
Vote 30**

**Subvote (GR05)**

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

**Hon. Mr. Axworthy:** — Thank you, Mr. Chair. I'd ask the Assembly to welcome to my right, Brent Cotter, who's the deputy minister of Government Relations and Aboriginal

Affairs. Behind him is Wanda Lamberti, who's executive director of finance and management services in the same department. Behind me is John Reid, the executive director of Aboriginal policy and operations; you can call him J.R., nobody calls him John Reid. And Ross Burrows is at the back; Ross is treaty land entitlement analyst.

**Ms. Julé:** — Thank you, Mr. Chairperson, and good afternoon to the minister and his officials.

Mr. Minister, there is certainly been a great deal of talk and interest in the federal government's intention to make changes to the Indian Act. And I think that there are numbers of people in Saskatchewan, particularly including First Nations people, who would really appreciate if you could tell the people of the province what those changes will entail and how far in advance the preparations to get those changes in place are, right now.

**Hon. Mr. Axworthy:** — Mr. Chair, the member asks about the federal government's initiatives to replace the Indian Act, or to amend the Indian Act. As the member will know, this is a matter of exclusive federal jurisdiction, but it is a matter which has significant impact here in the province. And it serves to do . . . attempts to do two things, really, to increase autonomy on the part of First Nations communities. The member will know that the Indian Act is one of the last vestiges of colonialism that we have in Canada and it is one which has generated significant controversy, both amongst First Nations people and amongst government figures as well.

So it would serve to increase the autonomy of sovereign First Nations and it would also serve to make First Nations or serve to encourage First Nations communities to be more politically accountable, and particularly the leaders, to be more politically accountable to their communities. And also to be more fiscally accountable to their communities too — matters of significant interest I think across the province.

I would say in the context of Minister Nault's attempts to . . . or legislative attempts, that we would encourage him to be much more consultative with First Nations leaders to ensure, rather than a hostile environment which appears to be the case at the moment, that he finds ways to move these matters forward in a more collegial, co-operative, and consultative fashion.

It looks as if . . . Well I think the member will know that that is a more productive mechanism for addressing concerns that both First Nations have and that governments and citizens have. So we certainly would encourage Minister Nault to, rather than ram something through, to speak more consultatively with leaders across the country.

And he did, I think, begin here with a desire to change the Indian Act, which most First Nations people would have wanted to and which most citizens would have wanted. So you start with something that is generally supportive and supported and end up with something which becomes quite controversial.

So the matter, as I mentioned, is one which is of the federal jurisdiction, but it is of significant importance to the provincial government and to citizens in the province.

**Ms. Julé:** — Thank you, Mr. Minister. Well you certainly are



correct in that. It is a very important priority, I guess, for many people throughout the province. And of course the whole issue, I guess, of the Indian Act and all kinds of policies that are in place between the federal government, the provincial government, and First Nations has been I guess met with some disturbance to say the least. It's a very difficult thing to talk about because there are sensitive issues.

There's issues of autonomy, which First Nations people would desire and have expressed that they would like to have. And at the same time it seems that when the federal government brought forward, as part of the changes to the Indian Act, that First Nations would be able to exercise more autonomy, at the same time there is a concern of First Nations people that somehow that may not be what they want. So there is some confusion on behalf of all people in Saskatchewan.

Can you tell the Assembly and the people of Saskatchewan today, what is it that First Nations people are concerned about? Obviously the consultation is important because it shows respect. And if that kind of consultation hasn't taken place between First Nations and especially the FSIN (Federation of Saskatchewan Indian Nations) and the federal government, then I think they need to be taken to task on it.

But on the other hand, if we get right down to what is being asked today by First Nations, they have expressed unequivocally that they would like to have more autonomy. So can you, in your deliberations with First Nations bands and the FSIN of Saskatchewan, can you tell the people of Saskatchewan what kind of input for instance the First Nations would have liked to have in respect to autonomy that they feel they may not have respected without proper consultation?

(15:45)

**Hon. Mr. Axworthy:** — The member asks if I might relate what I feel to be the desires of First Nations people in the context of Mr. Nault's First Nations Governance Act. I think it would be difficult and perhaps even unwise to . . . for me to speak on behalf of First Nations people. And I think the member could appreciate that. And so that specific question would be better directed to First Nations leaders and communities.

But I think we can, from the work that we as a province have done with both FSIN and the Meadow Lake Tribal Council and the federal government, the self-government negotiations which have been taking place over some period of time, we can identify that there is at least a desire to work together, each respecting each other's jurisdictions and each other's rights. And in particular, for the provincial and federal governments to respect treaty rights, we can work together in a respectful manner negotiating solutions to what are essentially very complex problems. And there's significant illustration of progress in that negotiation process.

So I think first we can say that it is important to work together in a respectful partnership/negotiating/consultative fashion to address issues as they arise, and that I think is in pretty sharp contrast with the process followed by Minister Nault.

Secondly, I think we can say that First Nations leaders see that

process, the negotiating self-government . . . or the self-government negotiations with FSIN and Canada and the province and with MLTC (Meadow Lake Tribal Council) and Canada and the province as likely to lead to better solutions than Minister Nault's proposals — better solutions because they reflect a discussion about mutual give and take and a response to each other's concerns. And I think obviously a more respectful approach to take.

So the success of the MLTC and FSIN negotiating tables has led to First Nations leaders in the province not, until recently, not paying an awful lot of attention to what Minister Nault was proposing. Now though, as you will know . . . as the member will know from the media and from her discussions, no doubt, with First Nations leaders, there is now a great consternation about not only the process but also the contents.

So in short I think we can say that the approach the province has taken and continues to take, which is an intense consultative process . . . As the member might know, I spend a lot of time dealing with First Nations leaders and First Nations communities on the issues that they regard to be the most important to them, not ones that I say are the most important to them, but the ones that they consider to be the most important.

And that consultative process I think works well. It takes a long time and it isn't as fast as directing something to happen in the next few weeks or months. But it is . . . it does ensure an enduring resolution and one which is likely to be more productive for both First Nations people and the people of the province. And we will continue to work in that consultative way and I know the member would support that.

**Ms. Julé:** — Thank you, Mr. Minister. Mr. Minister, as I previously mentioned, some of the questions surrounding how things will work in the future for the province of Saskatchewan, including all people in the province, some of these issues are difficult to talk about because of a different understanding of what treaty rights are and what rights, in fact, First Nations people do have.

And one of those questions, even though it may be difficult, I think it is important to talk about it and certainly I intend to talk about it with you in a manner of discussion, not a manner of confrontation. So I hope that you will join me in this discussion and possibly give some information as to what kind of ideas and needs First Nations are bringing forward to you in your discussions with them.

You've just mentioned that you had consultations with them about various issues and so I want to ask you today, for instance, if there . . . if changes in the Indian Act deal with issues like financial accountability, autonomy for decision making on-reserve especially, those kind of things. I want to ask if there has been any discussion that you can tell the Assembly has taken place regarding First Nations ability to generate their own revenue through taxation on-reserve.

Is that something that has been brought forward as a possibility and if that is so, has there been any further discussion on whether or not funds granted to First Nations would be scaled back?

**Hon. Mr. Axworthy:** — Well the member raises a question of significant concern, and one which does require to be addressed if we are to live in harmony in this province in the future.

It's important though to begin by accepting that the treaty obligations that Canada undertook with First Nations need to be, need to be observed. They are in place forever, and they are . . . they actually form in a sense the . . . when the First Nations handed over land, certain promises were made in return. Those promises need to be enforced effectively, and of course the courts will make sure they are.

Nonetheless I think the member raises a point which is of importance and it is a point of stress within our community that those treaties, to the extent that they recognize exemption from taxation, generate a different, a different citizenship than for non-Aboriginal, non-first . . . non-status First Nations people.

The member will know that First Nations people living off-reserve pay essentially the same taxes as everyone else, except with regards to sales tax. So the taxes — certainly people living in Humboldt or living in Saskatoon, if they're First Nations people they are paying significant amounts of taxes.

But it's important for — especially now since the province, as you know, no longer charges wholesale tax on gasoline or tobacco — to encourage and to talk about First Nations communities seeking mechanisms for own-source revenues, taxation from their own citizens for use in their First Nations communities.

And I would say with regards to that, if the member looks at, for example Cree-Way, the gas station that Muskeg Lake owns at Packham Avenue in Saskatoon, a portion of what would otherwise be provincial sales tax is charged on that gasoline from First Nations citizens and is used for development on the First Nation community.

So there's an example there of a business which is on-reserve and which uses part of a substitute for taxation, and in fact is, as far as the First Nations purchases would be concerned, clearly taxation; it's money charged on top of the purchase price of the gasoline.

So there's an example of a First Nation community taking some of those resources and using them on-reserve.

I should also say that in the context of the negotiating, self-government negotiating tables, that the generation of . . . or the ability for First Nations communities to generate their own revenues in the way in which the member suggests is an integral part of those negotiations.

**Ms. Julé:** — Thank you, Mr. Minister. Mr. Minister, I wonder if you could tell me what the total amount of taxes that have been collected from on-reserve Aboriginal businesses are that now the province is not collecting.

**Hon. Mr. Axworthy:** — I understand that the dollar amount which covers the wholesale tax on gasoline and tobacco is around . . . between 8 and \$10 million a year. We'll check with the Minister of Finance and finalize that for the member later on

today, but I think it's between 8 and \$10 million.

**Ms. Julé:** — Thank you, Mr. Minister. Mr. Minister, speaking of \$10 million, in the government's budget, it includes \$10 million in funding for new or expanded services in addition to ongoing funding, as you mentioned in your budget, for a number of other programs. But I'm just wondering, what is that \$10 million covering as far as . . . what does it cover as far as programs go?

**Hon. Mr. Axworthy:** — People wonder what happened when the light goes on. The member asks about the province's investment in essentially the Métis and off-reserve strategy, the \$10 million which was added as new and enhanced funding in the strategy in the 2001-2002 budget.

I can tell the member that \$7 million was provided to double the number of community schools and to create community high schools, and the member will be familiar with those. In addition the strategy which, as the member I think also will know, was developed through a great deal of consultation with the community, with off-reserve First Nations people, and with Métis people living in the cities.

The original strategy was developed with their input and indeed set out their priorities. And recent consultation to renew the strategy was conducted in the same way. And a number of consultations across the province took place where essentially the original priorities were endorsed by the participants, with some interesting readjustments of focus.

So the rest of the Métis and off-reserve First Nations strategy, other than the monies made available as I mentioned for community schools, is for the following purposes: to provide sports and recreational opportunities for young people in an attempt to keep young people off the street; to provide what those we consulted with talked about as well-being, dealing with inner-city housing quality, and indeed ownership as well.

As the member will know, ownership of homes by First Nations and Métis people is regarded as important as for everyone else, and much needs to be done in that field.

(16:00)

In the context of well-being, there is also a focus on diabetes; child support for single mothers to enable them to enter the workforce and to continue at school; focus on education, especially focusing on the need to encourage more math and science education amongst First Nations and Métis people.

Skills training and work preparation. I think the member can see that what is involved here is the community recognizing that there is a kind of very young — to my age, anyway — focus on building skills and development. And also, finally, to focus on jobs and economic development.

So the strategy essentially has a number of focuses — foci, I guess. Community schools is the largest one. Then youth sports and recreation; well-being; housing; diabetes; family supports; education; skills training and work preparation; and jobs and economic development.

And I might say, in the context of that, that the Métis and off-reserve First Nations strategy is a finalist for the national award for innovative management in government, and we are of course interested in ensuring that we're not only the finalist but that we win. And we will be making a significant pitch with regards to that strategy to the board which assesses this. But I think it's a really good indication of how effective this strategy is and how important it is that it was developed in the way in which it was.

And I might say too that it's essentially the province's response to a big part of the Royal Commission on Aboriginal Peoples and essentially is the only provincial response. I don't mean Saskatchewan's only response, but the only province to have really responded in this way in addressing the needs of urban Aboriginal people is this program here in Saskatchewan.

**Ms. Julé:** — Thank you, Mr. Minister. I appreciate the breakdown of the usage of that funding.

Mr. Minister, in spite of the fact that there is quite a lot of money being put forward for these initiatives, all of us I guess have seen, within some of the reports within . . . in our local newspapers, that there remains problems yet, outstanding problems in spite of the fact that money is put forward.

And I just bring to your attention an article from the paper May 30, in *The StarPhoenix*, and actually it's an opinion — an "SP Opinion." But it talks about, for instance, even though a number of First Nations children are going to university and are enrolled in different post-secondary institutions, that oftentimes they don't graduate. And it seems to be attributed to sort of the culture shock that many face when they're on campus. And so it . . . you know the advice I guess is it's important to put workable aids in place for Native students, teacher aides and so on, so that they can feel comfortable and have teachers that will allow them or I guess support them in their endeavours to get to the point of graduation.

We need support services. And I'm wondering if, when this money was put forward in your budget for these initiatives — education being one of them — whether there was also an understanding that there must be provisions made for teachers that are First Nations people to ensure that there is a culturally sensitive environment in place. Because that would probably lead to greater success and certainly less frustration and anxiety and subsequently failures.

So have you . . . does your government put forward provisions to ensure that programs are designed in a way — a culturally sensitive way in this instance — so that they can be successful? Because in addition to putting money for . . . putting funding forward, I think it's important that every government understands what kind of components are needed in order for First Nations people to achieve successes.

**Hon. Mr. Axworthy:** — Well the member raises a question which is at the core of the success or lack of success of the . . . both the challenge and the opportunity we face in this province with regards to First Nations and Métis people. I prefer to see these issues as opportunities than challenges, but the fact of the matter is that with a large, young, Aboriginal population, their success in our education system will determine the amount of

success in the economy as a whole. And the member will know that at the core of the province's opportunity here is to ensure that those, in particular baby boomers, who are beginning to leave the workforce, can be replaced by skilled and educated young Aboriginal people. And the, as I say, the extent to which we meet success here will be the extent I think to which we meet success in the province as a whole. So it's a critically important question.

The member quite rightly points out that many First Nations and Métis students find it difficult, once they move from their home communities and their home schools, into Saskatoon or Regina and Prince Albert to begin community college or technical school or university. I think we might even be able to remember this when we made those transitions and found that various things that we took for granted at home weren't available when we were out on our own in a . . . what was a relatively strange city.

But I think those kinds of concerns would be magnified for a young Aboriginal person coming from a small, say northern community, into Saskatoon or Regina to attend university; in particular, perhaps not having the kinds of family support that might . . . that many take for granted.

Just as a personal aside, I remain the only person from my whole extended family ever to go to university. So something happened that enabled me to find a way through what was not a lot of support from my family. Not that my family didn't want to support me, it's just that they had not attended university and didn't really understand how you could in fact make your living out of standing up and talking to people. It's a modest living, but what can you say?

So this transition would be quite complicated and quite onerous and leads to many students, as you point out, not finishing their studies. So you ask, what is there in place to address this? First of all, the member will know that there are now many, many more Aboriginal students at our post-secondary educational institutions — I think 2,000 at the University of Saskatchewan alone. And if we think back 20 or 30 years, that would be a huge increase from previous years.

So what kinds of supports are there in place? I'll just maybe mention a few, but agree with the member that there needs to be more. There's the Native Law Program which enables applicants for law school to spend a summer getting a sense of what law school is about, and then provides them with supports once they enter the law school program proper, because it doesn't help much to provide someone with some . . . a bit of a leg up in the beginning only to find that they're thrown to their own devices once they enter university. So there are supports there too.

The member will also be very familiar I think with the . . . with SUNTEP (Saskatchewan Urban Native Teacher Education Program) and NORTEP (Northern Teacher Education Program) which are essentially run by Aboriginal people themselves in the context of universities, with lots of input and lots of focus on training for jobs in First Nations and Métis communities, and then continuing supports once they enter the workforce.

And I should also remind the member of SIIT (Saskatchewan

Indian Institute of Technologies) and Gabriel Dumont Institute and . . . as examples of institutions run by First Nations and Métis people for First Nations and Métis people.

And lastly, it would be remiss if I didn't make some mention of Saskatchewan Indian Federated College which, as the member will know, is having an amazing building built right now at the campus of the University of Regina, which can only serve to assist First Nations students as they acclimatize to university education. The member will know that the building is designed in a harmonious way with a great deal of input from elders and others to be a culturally sensitive environment, and will be one too in which the education process and the social and community environment will be entirely sensitive as well.

So that I think will . . . that gives a flavour of the kinds of things that are available to assist students. But I would agree with the member that we need to ensure that no student finds themselves without the kinds of support they need in order to complete their education. And it shouldn't be because of something we don't provide that causes them to drop out of their program.

**Ms. Julé:** — Thank you, Mr. Minister. Mr. Minister, I appreciate the information that you've put forward about the supports that are there for our First Nations people that are going to post-secondary institutes whether it be university or SIAST or anything else — technical institutes.

But there's a definite acknowledgement by many people that are in the know about . . . that there's not really adequate K to 12 preparation oftentimes for First Nations people throughout the province. And sometimes when they end up getting into university or post-secondary, they either quit or they're asked to leave because they don't meet academic standards.

And so I'm presuming that one of the initiatives that's being put forward and I'm hoping is going to be very successful through the community schools, that there will be added support for students at that K to 12 level.

Is there anything else that your government has been able to tap into to come to know and understand that would be of assistance to help children — First Nations and Métis children — from K to 12 to make sure that they do meet the standards that are required in order to get into post-secondary and to successfully complete and graduate from those institutions?

**Hon. Mr. Axworthy:** — The member identifies another issue of importance here, how do you prepare children — Aboriginal young people — for a post-secondary educational opportunity? And I have a few points to make here.

One is more generic, and that is that it's important to encourage more of our young people to study math and science and to see the opportunities available in their futures in that regard. And that's of particular importance I think in Métis and off-reserve communities, Métis and First Nations communities, where there's been a focus on education and social work, not to the exclusion of all others but certainly there needs to be kind of a greater focus.

And with 2,000 students at the University of Saskatchewan now and I'm sure huge numbers at the University of Regina too — I

don't recall the exact number — that there is now a much more representative study program. So that's one just that's kind of a generic concern.

(16:15)

The member did mention community schools and the reason that community schools are a priority in the Métis and off-reserve strategy, including high school community schools, is to provide the very support she talked about to ensure that students at those schools and in particular to ensure that Métis and First Nations young people have what is necessary for them to meet the challenges of post-secondary education head-on and to do so successfully.

And our hope and our anticipation is that that work in community schools will enable First Nations and Métis young people to do better at university and other post-secondary institutions and that it will provide them with the tools they need.

Further, the School<sup>PLUS</sup> program — which the member may be familiar with — is also designed to provide the kinds of supports necessary to ensure that young people move forward with all of the supports they need.

So there's a holistic approach to schools and to education which involves social services, parents, community to ensure that there is the most solid and firm and constructive kind of community support and family support for young people.

And lastly, perhaps I should mention early childhood development, in which the province has invested a great deal to ensure that young people in the first years, in the formative years of their development before they come to school, are able to acquire all of the skills, the knowledge, the experience, the ability to function effectively once they do get to school. So there is there then, support from very early age into . . . up to preschool.

Then there are those two focuses in schools, with School<sup>PLUS</sup> and community schools all designed to ensure that young Aboriginal people have the kinds of supports they need in order to succeed both at post-secondary education level and also in the workforce should they choose to do that after school rather than go on to other educational opportunities.

**Ms. Julé:** — Thank you, Mr. Minister. Mr. Minister, I have with me a Web site paper that I accessed and it's about enhanced urban Aboriginal programming in Western Canada. And the Canada West Foundation has done some background study on the kind of programming that is put in place. And that would be by federal, municipal, and provincial governments. It talks about the delivery of programs and it talks about the provision of funding for different programs. And certainly a lot of these programs are even enhanced by non-profit organizations and so on.

So it seems as though there's a really good effort, some strategy here to ensure that there is universal programming. That was the intent, I guess. It's not clear though whether we have got, whether we're in sync right across all jurisdictions in Canada as far as making sure that this urban programming initiative is

taking place in a really constructive way.

In this excerpt it talks about much of the problematic part of these programs seems to be there's an absence of clear understanding of the programming already in place. And what has resulted is urban Aboriginal programming that is largely disjointed and at times incoherent which creates a particularly formidable challenge for urban Aboriginal people in attempting to access these programs.

It seems that government policies . . . I mean, this does come, like I said, a lot of the information from Aboriginal people who have been seeking to access some programs. And they say that government policies and the programming activity with respect to urban Aboriginal people seems largely unrelated.

So we need to be able to try to understand how we can focus on some core services, I think, in municipal government and to avoid . . . you know, they can avoid becoming engaged in areas outside of their mandate of responsibility.

How has your government attempted to address this problem where as Aboriginal people don't seem to be getting a kind of clear understanding or direction of where and how they can access programming for urban Aboriginals?

**Hon. Mr. Axworthy:** — The member is quite right to identify that in many communities there are a large number of organizations — not always integrated, not always fitting together in a very effective way — all attempting to provide services to Aboriginal people. And there is a need to consolidate and coordinate and integrate those services more effectively.

Certainly the Métis and off-reserve strategy has that as one of its goals and the broad consultation which took place as the . . . both at the beginning stage and more recently was designed to ensure that people did come together and did work together more effectively. There remains though a challenge here to ensure that we are all working in the same direction and that our resources are all used to the best advantage possible.

Part of the problem is that many of these programs are funded by the federal government and it's important for us to find ways in which to work more effectively with the federal government as they do provide resources for these programs. And we have constantly made the point, both with First Nations leaders and with the federal government, that we should not spend too much time arguing about whose jurisdiction is the appropriate one in any given case but to try to find solutions to the problems people face.

And the member will know that people from First Nations communities come into the city, go back to their home communities on a regular basis, and that we need to ensure that where they are at any given time is not what dictates their availability . . . the availability of services to them, but that there is some kind of coordinated approach both on-reserve and off-reserve. And that remains a constant challenge.

I would say though that we have provided seed money for five urban authorities which serve to try to coordinate integrated services within those communities — Yorkton, Prince Albert,

Regina, Saskatoon, and Battleford . . . (inaudible interjection) . . . doesn't seem to be there — and Battleford for that purpose.

I'd also say that then the member may be familiar with Regina Alternative Measures Program which is I think a very successful indication of how an integrated program works. It's primarily a community justice project but it comprises a lot of different services to assist young people in particular who get into trouble with the law.

So there is a lot of coordination but there plainly needs to be more and that is why we've been encouraging urban management authorities, and encouraging them to continue that coordination work.

**Ms. Julé:** — Yes, thank you, Mr. Minister. Mr. Minister, this issue is one that has certainly been brought to my attention a number of times in the last, actually last five years. You know, it is said that a lot of this is very complex. There's multiple layers of government programming and often Aboriginal and non-profit organizations deliver government-funded programs.

But there's also governments that are putting forth their own programming. And so we need to be able to coordinate this, I agree with you, and to make sure that we look into it and do a really, really in-depth assessment and analysis of this to ensure that there isn't duplicated services and to make sure that there is information out there for everybody about how they can access their programs quite directly.

Mr. Minister, I just want to revert back for a moment to the 2001-2002 budget of \$10 million for Métis and off-reserve First Nations people strategy. I know that there are . . . in addition to this money there are a number of cost sharing arrangements for First Nation and Métis programs that you're cost sharing provincially with the federal government.

And I was wondering if it's possible to give me or provide me with the names of all programs that are cost shared with federal, between the federal and provincial government. I know that takes a little bit of work but I really would appreciate it, in view of the fact that we're planning on forming government soon. It would be very, very helpful.

But you did . . . On one other occasion you did mention, give me an example of a cost sharing arrangement, but I would like to have if I could please, Mr. Minister, all of those programs. And I'd be happy to receive them . . . within the next couple of weeks would be fine.

Mr. Minister, I'd like to draw your attention now to I guess a bit of a grievance from the Piapot First Nation. The chief there has written to the Premier regarding their hopes to have . . . it has to do with their inherent right to negotiate self-government and they're talking about child welfare. And there is, the chief feels right now, that there is no form of accountability and there is a lack of proper representation between provincial and federal governments to First Nations communities, to ensure that steps are taken to mediate agency compliance activities and that kind of thing. He states in this letter to the Premier:

Your current agreements in the spirit in which it was written was to ensure that First Nation communities have

access to services comparable to others in the province.

And he also states that:

Piapot services are not in comparison to others as they are only receiving emergency services and children are being removed and placed off-reserve.

So the chief feels that you're taking steps backward instead of forward, and he urges the Premier to intervene in this situation to seek a more viable solution to this matter. Emergency services, he said, is not the solution.

From what I can understand, from the concern that the chief has put forward, is that there are children being removed off . . . from the reserves. And there's not . . . I guess there has not been enough negotiation between that First Nation and provincial and federal governments to determine a way that the services can be provided for children to have them remain on-reserve.

They would like to see a sound program on-reserve to deal with this. And they just feel that there is an impasse. Even though there have been informal discussions with other Indian agencies throughout Canada, that action hasn't been taken in Saskatchewan, and he would like to see that happen in order to reform the provincial Family Services Act and to make sure it includes on a reserve child welfare.

Could you comment?

**Hon. Mr. Axworthy:** — The member raises an issue which is not unique to Piapot First Nation, but it is one which raises some important concerns. And one of the underlying aspects of the self-government negotiations is in fact to find a solution to these kinds of questions, to negotiate a framework so that comprehensive services can be provided in whichever way is best. They could be provided by First Nations communities; they could be provided through provincial services with assistance in terms of direction from First Nations and so on.

(16:30)

But I think the core problem here with regards to services on the Piapot First Nation is that this is a federal responsibility to provide services on-reserve. And it is one which would be more appropriately taken up with the Minister of Indian and Northern Affairs and . . . rather than, rather than the provincial government.

But it does illustrate, as the member rightly points out, the need to find something which works more effectively than is presently the case. That is what we are trying to do. That is what we are trying to do through those FSIN negotiating tables.

**Ms. Julé:** — Thank you, Mr. Minister. Mr. Minister, the Fyke Commission . . . there was a public response to the Fyke Commission health report, the Standing Committee on Health that spoke of Aboriginal health issues needing to have a higher priority. And I'd like to know how your government is intending to respond to that recommendation.

**Hon. Mr. Axworthy:** — In response to the member's question about addressing the significant health needs of Aboriginal

people, I make a number of comments mostly predicated on the need to provide the kinds of social, family, community, economic environments which enable . . . which enable people to grow up in a community which will provide them with job opportunities and which will provide them with the skills to take up job opportunities.

We know that in an environment in which the economy is working well and people are participating in it that we see reductions in many health, health indicators in terms of their . . . the challenges they face. So that's why there would be a focus on early childhood development in the Métis and off-reserve strategy. We also think it's important to ensure that First Nations and Métis people are on health boards and ensuring that their input is part of the decision-making process for those boards.

The member will probably be aware of provincial strategies dealing with fetal alcohol syndrome and fetal alcohol effect, diabetes, and she'll also know of the Fort Qu'Appelle Indian Hospital which will soon be built.

So there are a number of initiatives of a health care nature as well as more of a social and economic nature designed to ensure that Aboriginal people have the same kinds of social and economic opportunities which will surely in the end reduce some of the negative health characteristics.

Those are long-range issues as the member will appreciate, but other more short-term issues like dealing with diabetes are also in place.

**Ms. Julé:** — Thank you, Mr. Minister. Mr. Minister, my next question is most likely going to be regarded as a Gaming question but it also . . . it also relates to First Nations projects. And I'm wondering if you can answer this. If you can't answer it I would really appreciate it if you could take it to the Gaming minister.

I want to know what percentage of gaming revenues diverted into the AAF fund are used to fund First Nation projects, if you could get that information for me. Possibly you have it with you right now, but if not I'd appreciate if you could get it.

**Hon. Mr. Axworthy:** — Well the member's quite right — it's a gaming question. But I'd be only too pleased to attempt a response. The . . .

**An Hon. Member:** — Make sure you start by telling her the AAF doesn't exist any more.

**Hon. Mr. Axworthy:** — Well I think she's aware of that now. But for the First Nations Fund and the community development corporations, about 14, \$15 million almost a year goes to First Nations communities development there. In the coming year, that number will be 24.2 million, and in addition \$2 million for the Métis Development Fund.

**Ms. Julé:** — Thank you very much, Mr. Minister. Mr. Minister, I will turn the questioning over to my colleague from Spiritwood, and after which I will just have a couple of closing comments. Thank you.

**Mr. Allchurch:** — Thank you, Mr. Deputy Chair. Mr. Minister, welcome to your officials here this afternoon.

My first question is in regard to my constituency and resulting of all the fires that's taken place in my area. Now the question I have posed to you, I hope that you're not going to refer it to the Minister of Environment because it has an Intergovernmental Affairs edge to it.

In regards to fires that start on the reserve and burn off the reserve, and they burn private property off the reserve where there's a loss of a lot of farmer's assets or whatever, is there some kind of compensation through the federal government that would help compensate some of the people that have been affected with these burning of fires?

**Hon. Mr. Axworthy:** — In this particular season, this is a matter of some importance. On the specific question of responsibility for, say, damage done to an RM's property or to a neighbouring farmer's property, I'll have to get back to the member on that specific question. But there . . . and it would depend upon negligence and so on whether there was a duty of care and whether it was being broken.

And as the member will know, in many First Nations communities there wouldn't be firefighting equipment to address the concern. But there are arrangements made between the federal government and municipalities to address firefighting conditions and then therefore compensation provided to municipal fire services who tend . . . which attend to fires on First Nations.

But on the specific question of the liability should a fire move from a reserve to a non-reserve property, I'll have to get back to the member on that. But we'll do that very shortly.

**Mr. Allchurch:** — Thank you, Mr. Minister, and I would appreciate your comments back to me because I have a gentleman that lost everything in the fire that came off the Sandy Lake Reserve and it burnt his whole operation out. It managed to leave his trailer but unfortunately the trailer that they left was basically not liveable. And he was planning on building a house and all the material for his new house was there and it also burnt, plus the shop and machinery and everything else.

Now he has gone to the provincial government through SERM (Saskatchewan Environment and Resource Management) to ask if there was any compensation in regards to it and they said no. But they said you may want to check with the federal government. So that's why I thought at this time a question to you through Intergovernmental Affairs may be the way to go. And I appreciate your comments back to me in the near future.

The second questioning I have is in regards to the meeting that was taking place this last weekend regarding the Métis leaders of Alberta, Manitoba, and Saskatchewan, meeting in Winnipeg to discuss Métis issues. Were you aware of the meeting and do you know offhand what was on the agenda in regards to that meeting?

**Hon. Mr. Axworthy:** — I was aware of the meeting taking place between Métis leaders from the Prairie provinces, Mr.

Chairman. My understanding is that the meeting focussed, amongst other things, on whether or not the Métis had been fairly treated in the formation of the province of Manitoba. And there was some effort to provide support for the Manitoba Métis from the other Prairie provinces.

And the member will know from his own . . . near his own community that there are also issues in the province regarding Métis land claims as well.

**Mr. Allchurch:** — Thank you, Mr. Minister. Your comments, I think, are correct as compared to what the radio said . . . or the news report on the radio said this morning coming in.

But I think there was also to do with talks ongoing regarding not only land and land issues but also self-government. Is that not correct?

**Hon. Mr. Axworthy:** — Well, it's quite possible. We haven't had the agenda or the results shared with us.

**Mr. Allchurch:** — Thank you, Mr. Minister. I take it that that . . . I know it's early. We just came out on the weekend so I just wondered if you knew offhand what exactly was going on in regards to it.

In regards to community pastures where land claims are taking place on the community pastures, and in the particular community pasture just by Landis where a group of farmers have a community pasture or have cattle in this community pasture and there's been a land claim against it, now the First Nations close to it, the reserve close to it wants to take that property over. As you know in the last month or so, there's been some negotiations trying to go on, but the last negotiations ended up in not a good scenario.

Has there been any more negotiations regarding the community pasture just outside of Landis and what is going on with it?

**Hon. Mr. Axworthy:** — Well, the member raises the issue of Mosquito-Grizzly Bear's Head First Nation and Rosemount Grazing Co-op and it has been a complex and difficult set of discussions.

(16:45)

The member is right that Mosquito First Nation has selected the pasture, and the farmers who have grazed their cattle on this pasture over a long number of . . . over many years have . . . the two between them have not been able to come to terms as to an appropriate compensation for the co-op.

Our expectation and our effort always is to focus on a willing buyer and a willing seller and to find a negotiated settlement. And for the vast majority of treaty land entitlement selections this works fairly well, in particular when it's . . . when there's in question a transfer of provincial Crown land.

But there are a number — and the member will be familiar with Big River and Pelican Lake First Nation too — there are a number of complex situations which have to be addressed. We have two choices . . . well we have our first choice, which is to try to find . . . try to bring the parties together to negotiate a

settlement. We then, if that doesn't work, we have choices available to the province. And the First Nation also of course has choices available to them too.

What is at stake here, it seems to me, is a situation which should be resolvable. The First Nations is . . . the First Nation has basically offered the co-op a co-management agreement and has basically offered them exactly the same terms and conditions as would be available to them under the present lease they have from the province. So the farmers involved will pay no more than they paid before and will have exactly the same rights and obligations with regards to the province as they would have . . . as they have presently.

So all that will happen is the lease, the name on the lease will . . . in the offer made by Mosquito First Nation, the name on the lease would change from the province of Saskatchewan to Mosquito First Nation. Nothing else would change.

In addition to that, there is the offer of a co-management agreement so that the farmers, the three, I think it is representatives of the co-op, three representatives of the First Nation would choose an independent person to Chair the co-management agreement.

That seems to me, on the face of it, to be an eminently sensible resolution to this challenge. If this doesn't, if this doesn't get resolved in this way, then as the member will know, the lease I think . . . the lease for the co-op runs out at the end of December I think of 2005, if I recall properly. In which case a decision would then be made by the Department of Agriculture and agri-food as to whether or not to extend that lease.

So the co-op will be making some decisions about whether or not it thinks that lease would be renewed. And if it thinks that it will not be renewed then it would certainly be within its interest to find an agreement with Mosquito First Nations. I would just urge both sides to work ever harder to try to find a solution here.

If we cannot resolve disputes of this sort within our province, it's going to be increasingly difficult to see how we can all live together across the province as a whole. This is a relatively manageable dispute, it seems to me, and I would just urge everybody who's involved to find a solution here.

**Mr. Allchurch:** — Thank you, Mr. Minister. In regards to that, Mr. Minister — and you are correct it is December 2005 — under the treaty negotiations there has to be third party liability or third party concerns be adhered to. Now can the patrons of the pasture, in other words, the patrons that lease the community pasture, can they or can they not purchase that land?

**Hon. Mr. Axworthy:** — If I heard the member rightly, he asked whether or not the co-op could buy the land from the . . . Because the pasture has been selected by Mosquito, if the province undertook to sell the land to Rosemount Grazing Co-op, that would, as far as we think, contravene the treaty land entitlement agreement so that would not then be an option for the co-op or for the province.

**Mr. Allchurch:** — Thank you, Mr. Minister. So basically what you're saying, Mr. Minister, is any land that is provincial land

within the province of Saskatchewan, through the treaty entitlement Act, they have first chance at that land. Any person living in the province of Saskatchewan who is a taxpayer is second citizen and therefore does not have a chance to buy that?

**Hon. Mr. Axworthy:** — The purpose or the function of the treaty land entitlement process is to ensure that First Nations which did not get land that they were entitled to at the time of treaties, now will get them. So if the appropriate amount of land had been transferred at that time, this would not be an issue.

So what we . . . what all parties have agreed to, the province, Canada, and First Nations, is to ensure that there is a process whereby land which should be available to a First Nation is available to them. Not the same land that they might have had in the first place, but that they're able to select land in parts of the province.

Once that is done, if there are no third party interests like, in this case the grazing co-op, or like outfitters as is the case in some other selections, if there are no third party interests the transfer can take place quite easily. If there is a third party interest, if there is a third party which has an interest in this property, like the farmers who formed the Rosemount Grazing Co-op, then they have to be compensated for their loss.

So the issue then is how much will it take in order to provide . . . in order to ensure that the Rosemount Grazing Co-op is prepared to give up their rights under that property. In this case it's a very short lease, as the member will know.

So there then is a set of negotiations to try and find an amicable solution to that issue. What is the price to buy out the grazing co-ops interest?

In this particular case, as the member will know, the lease runs out — as we've said before — in December 2005. So if the lease runs out and is not renewed, the grazing co-op will have no interest at all to pursue.

So if the farmers who are members of the grazing co-op want to continue to graze on that land — which they obviously do — then it would seem to me wise for them to come to a conclusion with Mosquito First Nation.

As I said before, Mosquito is offering exactly the same terms and conditions as the province has offered in the current . . . as the province has made available to the grazing co-op in the present lease. And in addition to that, has offered a co-management process to ensure that the pasture is managed in a way which is acceptable to both the First Nation and the members of the co-op. It seems to me an eminently sensible solution. And if the members of the co-op are hoping that the province will renew the lease in 2005, then I think that is up to them.

But it plainly is hoping for something to happen in the future, which may not happen. And if doesn't happen — if the lease isn't renewed — then they won't have any opportunity to graze their cattle on that pasture at all.

**Mr. Allchurch:** — Thank you, Mr. Minister, for your answer. Over my years of dealing with First Nations and treaties, if I



remember right, under the treaty land entitlement Act, the land that was to be given to First Nations . . . (inaudible) . . . land and treaty land entitlement land, had to be unoccupied land not occupied land.

In regards to this instance with the community pasture, this land as we speak right now, is occupied. And yes, in the year 2005, it will not be occupied because the lease runs out. But this is where the whole idea of the third party, which is the community pasture patrons, feel they have a legitimate complaint.

They have the right to that land till 2005. Why does it have to be given under the treaty land entitlement land when they are actually in the process of having it now?

And the second question is: why can't they buy it?

**Hon. Mr. Axworthy:** — The answer to the second question is, as I mentioned, once land has been selected it would be contrary to the treaty land agreement process for the province to sell the land to the co-op.

But the treaty land entitlement process is not just about unoccupied land or about land to which there is no third party interest. The member will know of cases in which outfitters have been . . . have received compensation for the outfitting lease they have on a particular — or licence — they have on a particular piece of property.

He will know of a number of those cases in an Onion Lake selection where outfitters were compensated to the tune of \$100,000, and one to the tune of much more than that, as a result of, as a result of giving up their third party interest.

In this case, the third party interest in this land is the co-op's lease from the province. The question is — and that lease runs out in 2005 — can there be, can there be a settlement to this dispute whereby the Rosemount pasture co-op is compensated for its interest?

Now my understanding is that — and I might be wrong here — but my understanding is that nothing is going to change until 2005 anyway. But if the co-op does not want to sell out its present lease, which is, as you know a very short lease, then we'll just have to await what happens in 2005.

But then the co-op runs the risk of not being able to graze its cattle on that land at all unless it gets a lease renewed. Because once the lease, once its lease expires, there will be no third party interest to worry about and then the process will be very straightforward.

**Mr. Allchurch:** — Thank you, Mr. Minister. Mr. Minister, you're saying in regards to the Onion Lake issue where the outfitters there were compensated — in regards to the pasture that we're talking about now, you feel then that the patrons of that pasture will be compensated?

**Hon. Mr. Axworthy:** — Well that's what the issue here is about. It is about whether or not the co-op is a willing seller of its interest in the property. If it was a willing seller and the price was fixed, then it would be able to be compensated for the remainder of the lease in question here.

But as the member knows, the First Nation has offered to continue that lease and therefore continue the availability of that land to the co-op. So the issue at stake at the present time and the dispute between the Rosemount pasture co-op and Mosquito First Nation is: is the co-op prepared to sell its interest, the remainder of its lease, in the TLE (treaty land entitlement) process to Mosquito First Nation? If it is, then this matter gets resolved very quickly. If it's not, then at best it drags on until 2005.

**Mr. Allchurch:** — I don't think you answered my question though in regards to compensation, Mr. Minister. Is there going to be compensation paid . . . (inaudible interjection) . . . There is. In other words what the Indian band or the First Nations band has done then, is said that they will give compensation to the patron owners?

(17:00)

**Hon. Mr. Axworthy:** — The compensation available to the pasture co-op is available to them in terms of their agreement with the Mosquito First Nation. So the issue is how, if at all, the interests of the co-op will be compensated for by the First Nation.

And there are a number of options available and I'm sure they've discussed them. But one which appears to be the strongest option offered by the First Nation is to extend the lease for another, I think it's 25 years.

But the issue is not compensation from the province or from the federal government; it is a question of payment by the First Nation for the interest of the third party, in this case the grazing co-op. And if no solution is found, then we just wait till the end of the lease and see what happens then.

**Mr. Allchurch:** — Thank you, Mr. Minister. Mr. Minister, in regards to compensation for pasture patrons, in regards to the Bapaume pasture issue, the pasture patrons of the Bapaume pasture were compensated \$10,000 per person for pasture rights to that pasture. In addition to that, then they signed a deal with regards to keeping the pasture for pasturing cattle for years to come.

In regards to the Onion Lake situation regarding outfitters, that land was not occupied land; it was unoccupied land. It was provincial land. And at that time I believe the outfitters were paid compensation plus rights to outfit in that said area.

This is what I'm asking you in regards to the Landis situation is in regards to compensation for the Landis patrons. Are they going to be paid in dollars and cents, plus a renegotiation of the deal?

**Hon. Mr. Axworthy:** — Well this is an issue for the First Nation and the pasture co-ops to negotiate. That is what this is about. The province provides a mediator to try to assist in that process. We've done that on a number of occasions and we have one in place at the present time, as I think the member knows. And a couple of meetings . . . a meeting is expected on July 16 and 17 where the mediator attempting to find a solution between the parties.

But at no time has the First Nation talked about dollar terms for the members of the housing . . . of the grazing co-op. But it has talked about extending the lease under the same conditions as presently exist for a longer period of time.

In other instances, parties have negotiated solutions to suit themselves. And as I say, it is a question of trying to find a willing buyer and a willing seller and therefore a price to which both agree.

**Mr. Allchurch:** — Thank you, Mr. Minister. I know there's meetings supposed to be going on later in the year regarding that problem with that pasture, and I know the members from that pasture will keep me informed with what's going on, and I'll keep you informed.

At that time, that's all my questions.

**Ms. Julé:** — Thank you, Mr. Chair. Mr. Chair, I just want to take this opportunity to thank the minister and his officials for answering a large number of questions and much appreciated.

**The Chair:** — Hon. members, this is subvote (GR05). To vote on subvote (GR05), leave is needed to consider this ahead of (GR01). Is leave granted?

Leave granted.

Subvote (GR05) agreed to.

**Supplementary Estimates  
General Revenue Fund  
Intergovernmental and Aboriginal Affairs  
Vote 30**

Subvote (IA16) agreed to.

Vote 30 agreed to.

**General Revenue Fund  
Justice  
Vote 3**

**Subvote (JU01)**

**The Chair:** — Order. I invite the Minister of Justice to introduce his officials when he's ready.

**Hon. Mr. Axworthy:** — Thank you, Mr. Chair. I'm happy to introduce Department of Justice officials and ask members to welcome them. To my right, Doug Moen who's the executive director of public law and community justice, who will be the new deputy minister from September 1. He drew the short straw I guess.

Behind him, Betty . . . no not behind him, to his right, Betty Ann Pottruff, who's the director of policy, planning and evaluation. And behind Doug is Elizabeth Smith, who's the director of administration. Behind me is Colleen Matthews, who's the executive assistant to the deputy minister — all of whom will be familiar to members of the Chamber. And behind Elizabeth is Rick Peach, who is director of law enforcement operations. And behind Colleen is Suzanne Bugeaud, who is the

assistant director of family justice services. And we have a number of officials in the back if we need them.

**Mr. Heppner:** — Thank you, Mr. Chairman. Welcome to the minister and all his officials. And we won't discuss July 1 today. We'll leave that for another time.

Getting into some RCMP (Royal Canadian Mounted Police) policing questions . . . and we're going to ramble all over the place today so it's probably good that you have a lot of individuals there to help you. Am I correct in assuming that RCMP vehicles are not insured and that when damage occurs that's just paid outright? Would you respond to that and sort of just clarify how that's set up?

**Hon. Mr. Axworthy:** — Well a more appropriate way to put it would be that the federal government self-insures the RCMP vehicles. So then the federal government would be responsible for any of the costs which might be incurred if they were insured in the normal way. So the federal government actually acts as the insurer.

**Mr. Heppner:** — Thank you. In a recent incident that occurred in the town of Langham, this was a couple of months ago, there was a murder and a stabbing — and I think you're probably fairly aware of that; it was a pretty high-profile situation — one of the RCMP cars hit a house. And now this person is asking for that repair to be done and she's being told that she's supposed to go through her insurance — which, first of all, shouldn't be her insurance's problem — and if she does go through her insurance obviously her rates will go up, she becomes a higher risk and all those sorts of things. And I'm wondering why this isn't just being paid out?

**Hon. Mr. Axworthy:** — If I may, I'll take this under advisement. I'll look into it and get back to the member as quickly as possible. We'll be able to check fairly quickly. Well not tonight, but first thing in the morning and get back to him.

**Mr. Heppner:** — Thank you. And sort of working around that particular situation, I want to sort of move into the concept of the Victims' Fund and would like for the minister to state how much money is presently in the Victims' Fund, and under what situations individuals can access that, and what sorts of monies are paid out to victims through that fund?

**Hon. Mr. Axworthy:** — The member asked about the victims' services budget. For 2002-2003 it's \$4.257 million. There's a reserve of about \$3.4 million as of April 1, 2002, and \$3.4 million supports direct services for victims of crime. And I'll just indicate what is covered and I think the member's main question was what is available actually to victims.

There's \$1.8 million for crisis intervention, 20 programs covering about 80 per cent of the province which ensures that victims of crime receive the kind of information and support, assistance, and referral they need as soon as possible after the crime has been committed.

(17:15)

There are three court-based programs to prepare and support victims and witnesses during their involvement with the

criminal justice process to help them through the court process here — \$257,000.

In terms of compensation and restitution to victims, which I think is the member's main point, \$535,000 — 400,000 for financial compensation for victims of violent crime and \$135,000 for the restitution program to cover what someone might have lost. There are \$830,000 of Aboriginal initiatives: a family violence programs, urban Aboriginal crime prevention strategies, northern victims initiatives, for example. And 829,000 is distributed to programs for children who witness domestic violence, some child action plan grants, public education, and then administration.

**Mr. Heppner:** — Thank you. At another time, we'll probably go through that whole long list specifically and really try to address whether that is really a victims services, or are those just covering other bureaucratic functions that are probably valid but should come out of a different part of a different budget.

However, under the victims' compensation one, in that particular event that occurred in Langham where there was a murder and a stabbing of a young fellow — I believe he was about two years of age — became paralysed, a lot of medical expenses. His mother has a lot of expenses. He still can't function physically properly. And there seems to be next to no funds, if any at all, for him. It would seem to me this would be a prime candidate for some victims' fund support.

And I would think the kinds of things that should be there for this young individual would be specific support at this time to sort of allow his mother to continue working, as she would prefer, take care of some of the expenses of taking care of the young fellow during this time, and also ensuring that as he grows up, as there are special supports initiatives and opportunities and training is needed, if in fact the difficulties that he has now of being partially paralysed continue, those should all be in place for him out of this fund because he is a victim if ever there was a victim. He didn't do anything to get involved in this situation — like I said, just a two-year-old asleep in his crib. And yet there seems to be very little support for him and there should be a lot of support.

**Hon. Mr. Axworthy:** — The fund itself is designed primarily to assist victims through the trauma and the challenges of the court process following it, rather than to compensate victims for their loss — or example, pain and suffering, or the injury they might have faced — or a range of other losses.

I think the member can see that a fund of some \$4 million would not be large enough if it was designed to respond in the way in which he is suggesting. We might be able to deal with maybe, you know, a dozen or so victims in that way.

But the fund is not the only source available to the victim and his family in this case. The health care system is there and that is designed to provide for his health needs. There is Social Services available for a range of responses too.

So the victim services fund is not designed to compensate the victim for all of the loss they suffer. There are other government programs and services available for that, in

particular, as I mentioned, health care and social services.

But I'm not sure if the person the member refers to has actually sought any compensation from the Victims' Fund, but she should certainly do so. But she shouldn't expect what is provided by the health care system or by social services or by other programs to be provided through the Victims' Fund.

**Mr. Heppner:** — Thank you, and I think I need to give you a bit more background to show how badly the system, in general, has failed. And I'm glad to see the Minister of Social Services here because he probably needs to hear this as well.

I believe there's something to the extent of 3 or \$400 available to take care of some of the living expenses of this young mother and this paralyzed child. Now because this child is paralyzed, needs to buy special food so that when he eats he doesn't choke. Now at this point Social Services covers half of that.

So the housing isn't adequate, the caretaking if the mother wants to maintain a job isn't adequate, needs special care and special food to keep from essentially choking when he eats and half of that is covered, and there's a myriad of things that are happening in this young child's life that shouldn't be happening. And Social Services is dropping the ball on this one very seriously.

And I appreciate the minister's comment that I can't comment at this point whether they have addressed this need through the Victims' Fund. I can assure you they will but what will probably happen then is in Social Services will say well now you're under the Victims' Fund so then they will just let go of the ball altogether.

But I'm glad that both ministers hear this so that when this comes across your table as it will before too long again, you can deal with this in a manner that I think is just and is caring. Because as I stated, you have a young mother that has very few means at her disposal, and so the other family is trying to cover this off, and that's not an easy situation.

And even that particular medication that I said the child needs to just maintain life is only partially covered, and so this is a true victim and needs the full support and the full sympathy. The family has gone the route once or twice with Social Services and I think we managed to get an extra \$4 a month for them out of that, which was still very much short of where it should have been.

So that will be addressed across both of your desks in the very near future. At this point the member from Swift Current I believe has one question. So we'll let him end now . . .

**Mr. Wall:** — Thank you, Mr. Chairman of Committees. And to the Minister and his officials, I understand from recent media reports that there is some assurance for municipalities in Saskatchewan that any of the costs related to their RCMP detachments serving at the recent G-8 Summit will not be borne by local taxpayers, will not be borne by the municipalities.

And I just want to get the minister, if he would on the record in the legislature, that this also includes overtime. Now just very quickly in the case of Swift Current, the issue wasn't the actual

costs of the officers, the issue was the overtime that . . . the attendant overtime costs that might be incurred by the city when they had to ensure that they had continuous shifting.

This happened at a time in a run-up to something called Frontier Days in Swift Current, which is our exhibition, our annual exhibition, but also is a time that's quite busy for our local detachment of the RCMP.

And I guess I'd just ask the minister to confirm if indeed it's his understanding or it's been his undertaking that the federal government — some senior level of government — will be compensating municipalities for the overtime costs incurred to fill in the gaps left by officers working at the G-8 Summit.

**Hon. Mr. Axworthy:** — The expectation is that the overtime costs paid by Swift Current to the RCMP to cover off the gaps in service provided because a number of their officers were at the G-8 will be less than the monies they will save from not paying the salaries for those officers who have left.

The rationale being that with vacation and leave being cancelled, the costs — the overtime costs — of providing the service that would have been provided by the officers who were at the G-8 will be less than the money the city will save on because it won't have to pay the salaries for those officers who were at the G-8 for the time they were at the G-8.

So the . . . I think it's five officers went from Swift Current. Is that right? Seven, maybe? Five or seven went to the G-8. Leave and vacation cancelled filled the gap part of that. Whatever overtime costs are incurred by the city to pay other officers will be less than the money that they save on not paying the salaries. So there will be a net gain to the city of Swift Current as a result of providing those services to the federal government for security at the G-8.

So if the member is asking, is somebody going to send a cheque to the city of Swift Current for the overtime costs incurred as a result of paying officers during the G-8, the answer to that question is no. But neither will they be . . . but they will be paying less on their regular salaries because seven officers will be off at the G-8, so they'll get a net benefit.

**Mr. Wall:** — Thank you. Thank you, Mr. Minister. Mr. Chairman, through you, one very final question just so that it's straight. And I may have the whole machinations of how cities pay for city detachments of RCMP, but my understanding is that it's a contract that they work through the minister's department that is calculated based on the number of members in their detachment and other costs.

And so is it true that their amount that they will have to pay for their amount of policing is going to be decreased, their overall costs for this year, will be actually less because of the fact that seven officers' costs weren't incurred for that period of time?

**Hon. Mr. Axworthy:** — In fact in regards to the city of Swift Current, it has a separate contract with the RCMP and it doesn't engage the province in that contract. But it's a 70/30 split that the city has with the RCMP. What the RCMP . . . what the city of Swift Current will get is a credit to make up for the saving.

**Mr. Heppner:** — Two or three other quick questions, some of which are short.

Across Canada when an individual declares personal bankruptcy, I believe the record stands for seven years. In Saskatchewan I believe the record stands for 14 years. Is that correct and what is the rationale behind having Saskatchewan, if that is correct, out of sync on that?

**Hon. Mr. Axworthy:** — As far as we're aware, because the legislation is federal legislation, it's unlikely that there would be a different rule for Saskatchewan over other provinces. But no doubt the member has some follow-up questions which suggest otherwise.

**Mr. Heppner:** — I'm sorry to disappoint the minister, but we're not going to follow this one up because if it is federal then we will just follow it up on that particular area.

A question under the Public Trustee and it is a situation that I'm sure your officials are somewhat aware of. It occurred in Lucky Lake where the Public Trustee had a client and they had made an arrangement with a particular business that this client could charge a certain amount per month and the Public Trustee would cover that.

Now what happened is, the client passed away and the Public Trustee found out there wasn't enough money to cover those bills. And now the particular business that had basically been doing this business on behalf of the Public Trustee on behalf of the client is now left out with, you know, a charge account that isn't being covered.

And I think the Public Trustee needs to be held responsible for this because it's the Public Trustee that basically said here's the amount that you can work with. If they saw the amount as coming to an end they should have said, okay, there's another 5 or 8 or \$1,000 left and then there will be no more. But that information I believe was not sent through.

**Hon. Mr. Axworthy:** — I'm not familiar with the specifics of the question raised by the member but I will look into it and get back to him sometime early tomorrow.

The issue of . . . I mean, I think if a person who is being represented by the Public Trustee, if that person's resources run out, there is likely no other solution other than for the money not to be paid. But I don't . . . let me look at the specifics and we'll get back to you tomorrow.

**Mr. Heppner:** — Thank you, I appreciate that. And the reason that I felt that the Public Trustee should be held responsible in this case is because they had not limited the amount that was there and they should have known what was left in that particular account. By sort of leaving it open-ended, they're leaving the merchant to believe that this goes on indefinitely and that was incorrect information.

One fairly quick question on an issue that you and I spoke about a little while ago, and we both talked to the individual, our offices have, and that's with the gentleman that is walking around outside. And we won't go into any details on that because that could take us into many different areas.

Is there any access that he could have to some legal aid counsel to tell him where his views are a sea and where they aren't?

**Hon. Mr. Axworthy:** — My recollection is, and I think I'm the only one who has a recollection about this, is that he has been offered legal aid services and that he appears unsatisfied with that offer and wants someone from the private bar to represent him.

We've had a number of discussions, not me personally but my staff and others have had numbers of discussions with the person outside. And indeed, the Sergeant-At-Arms has had many discussions with him too and in fact it might be best to direct the questions to him; he might know more about the particulars. But as he doesn't get a chance to answer them, I guess you can't do that.

But other than that, I don't know very much about the person. Well I know the details of the person's concern and I do understand he's been offered legal aid support.

**Ms. Julé:** — Thank you, Mr. Chair. Mr. Minister, during the last set of questions that I posed to you in Committee of Finance . . . Thursday, April 11 was the last time that I talked to you. And I was asking you about whether or not, with the new Act, The Emergency Protection for Victims of Child Sexual Abuse and Exploitation, whether or not parents were included in designated persons that were able to apply for an emergency intervention order against someone if they believed that someone, or if they have reasonable grounds to believe that someone would be a threat to their child as far as sexual abuse goes, or if further contact between their child and a particular person would result in that or have resulted in it.

You have graciously written me a letter outlining who would be able to put forward emergency prevention orders — or apply for them rather — and you mentioned that the Act enabled police, child protection officers, and other designated persons to apply by telephone to a Justice of the Peace for emergency intervention orders.

And so . . . And I think my question to you at that time on April 11 was, are parents going to have the right to be included in those persons that may apply for an emergency intervention order?

**Hon. Mr. Axworthy:** — The member asks about parents having the opportunity to seek orders over their . . . pertaining to their children. One of the challenges in providing for that provision directly is a kind of knowledge and training question. It's not the easiest process to pursue.

So what the legislation and the practice considers to be the best approach is for that parent to, through a police officer or a social worker, to have that application made. In other words, to have the officials mention — that the member mentioned — supporting the parent's call for a special order. If that were not the case, it would be necessary to provide a whole bunch of support and training in order for that process to be appropriately pursued.

So the idea is to support the adult or the parent and then, therefore, to encourage the parent to go to an appropriate

official and then for that official to pursue the action.

**Ms. Julé:** — Thank you, Mr. Minister. I think that your explanation is certainly one that makes some good sense. I understand clearly that oftentimes we need to ensure that people have got the appropriate information and education in order to carry out such an initiative.

But I think that, in my view, if parents do have reasonable validation or reasonable grounds or validation that their child has previously been subject to sexual abuse by whatever — and I'm thinking particularly right now of gang member activity and so on — then if that parent has got enough evidence of that, that they should possibly be included in those people that can apply for an emergency intervention order; of course with the presentation of that evidence.

So, Mr. Minister, I certainly respect your answer and I understand how complex this can be and how one has to ensure that it's . . . all of these measures are carried out properly. But I think that it would be good for the Department of Justice to maybe consider it, that if there is a . . . if there's adequate evidence presented by a parent, that they should be able to present that.

What happens sometimes is that — at least it's been brought to my attention — that sometimes Social Services basically are not listening to the evidence that parents put forward and so parents find that they're hamstrung. They can't move anywhere and go any further with their own evidence. So I think we have to find another, maybe another mechanism in order to have their evidence examined and considered.

But I'd like to just move over to another question right now, Mr. Minister. Mr. Minister, I know and understand that Leanne Bellegarde Daniels is the Chairman of the Saskatoon Board of Police Commissioners and I know that she was recently appointed as assistant director of legal services for SIGA (Saskatchewan Indian Gaming Authority).

It's my understanding that the board of commissioners was set up as a body and it was to be ensured that they were at arm's-length to any municipal politicians or any politicians. In this case it seems to me that Ms. Bellegarde Daniels has a vested interest in SIGA and with ongoing SIGA investigations. Does this not concern you as Minister of Justice because, because of the reason that the board of commissioners was set up; it was set up to be at arm's-length to any political body?

**Hon. Mr. Axworthy:** — The member asks about the Saskatoon Police Commission, and I think she would be aware that this commission was appointed by the city of Saskatoon, not by the province, presumably . . . and she was . . . Ms. Bellegarde was on the police commission before this recent appointment with SIGA. I imagine she discussed it with the police commission, and with those who appointed her.

It's in fact the case that municipal . . . members of municipal council are members of police commissions across the province. And I think too, if there ever was the appearance of any conflict, Ms. Bellegarde Daniels could step aside from it.

It's also worth remembering that it is the RCMP which is

conducting the inquiry into SIGA activities, not the Saskatoon Police Commission.

**Ms. Julé:** — Thank you very much for that answer. I put the question forward simply because public interest in regards to conflict of interest is certainly at hand and I think the public deserve to have an answer to that question.

So I thank you for your answers, Mr. Minister, and I'll just turn it back over to my colleague, the member from Rosthern.

**Mr. Heppner:** — And to the minister: a fairly general question, but I think it's of great interest to the people of this particular province. We are only a province of about 1 million people so when we take that into perspective — we have many cities in Canada that are many times our population — so when we look at the question as I'm going to relate it here in a minute or two, we need to keep that in mind that we don't have a whole lot of people and we don't look at it geographically and say, well we cover this big part of Canada and therefore this isn't as big a concern. And that is, we have had unfortunately in Saskatchewan a number of high-profile cases that seem to have gone off the rails in different ways for whatever reasons. And I would list under those cases the Milgaard case, the Martensville case which isn't concluded, the Klassen situation which . . . who knows where that one would go but it's a fairly high-profile one.

And the question I have in general is: what sorts of things is the Justice department doing to ensure that things don't seem to go off the rails in such a major way as they have in these three cases? Because in a province of, in most cases less than 1 million people, those are some very high-profile cases, very major cases, and that's a lot of cases for that small number of people. And a lot of people in Saskatchewan say, how come is this happening? How can we ensure that it doesn't happen?

So basically it's a bit of an open-ended question to where is the Justice department on these issues and how do we ensure that we don't have this occurring again?

(17:45)

**Hon. Mr. Axworthy:** — The member raises an important question in terms of the efficacy of prosecutions. And he I'm sure will be aware that the issues he . . . the specifics that he mentioned, some took place a very long time ago in the context of the many thousands and thousands of cases reviewed on an annual basis and also many, many thousands of cases which are actually prosecuted. But the specifics of the member's question were: what has happened; what have we done to ensure that mistakes don't occur today?

First of all, there are significant changes to police investigation tools which have made a difference. There are protocols like the child abuse investigation protocol which makes clearer and more effective how to deal with children who are victims in child sexual abuse cases.

There has been significant training of all participants in the justice system in its broadest sense to ensure that these cases are handled in an effective way. Relating again to children, the Regina Children's Justice Centre also provides for better ways

to deal with child witnesses in child sexual abuse cases.

Not all of the cases mentioned by the member deal with children but certainly that has been an important focus. So within the general context of prosecutions a lot of work has been done to ensure that as much knowledge as possible is available to prosecutors. In addition to Regina, there is also a similar program in Saskatoon.

And maybe while I'm on my feet I might just, before I forget, mention to the member that I will take up his, the concerns he raised with the person from Langham, with the Minister of Social Services and the Minister of Health in an effort to see whether or not all of the services available are in fact being accessed by that person.

And I might say to the member from Humboldt that we will monitor the situation about access to child protection officers and police officers applying to a Justice of the Peace for protection orders for children. And if it does appear to be a problem, if there are issues then we will of course do our best to respond to them.

**Mr. Heppner:** — Thank you. And the minister is correct when he says there were thousands and thousands of cases that are covered every year. And so on a percentage basis these may not be that many. However I think those of us who have lived in this province all of our life realize that out of those three cases that I mentioned, two of them had an immediate high profile.

So they weren't like it was just a small case that was just taken care of through the Justice department and moved on. These were immediately high profile which meant that the whole department should have at that point said, this is a big thing and we're going to have to deal with this carefully and deal with it correctly.

And those two high profile ones would have been the Milgaard one and the Martensville case. The Klassen case was one that didn't gain any notoriety for a substantial length of time after it occurred.

And I did appreciate the minister's . . . part of his answer where he said we have made some other situations that are out there now in how we deal with children for those aspects that involve children, as two of these did, to ensure that those kinds of things don't happen again.

I would think that the profile this has created for Saskatchewan is unfortunate and that the steps that you mentioned would ensure that it doesn't happen again, and possibly just to ensure that we stay vigilant in looking at how the system operates. Because I think it does a fair bit of damage to the reputation of the system by the public. When these things occur, they right away . . . there's a tendency to go ahead and brush the whole system with that kind of a reputation.

So I do appreciate the answer on that and, as I said, I hope the department stays vigilant ensuring that all cases are dealt with as effectively and correctly as possible.

Having said that, that concludes my questions on this for this particular time, Mr. Chairman.

And I would like to thank the minister and his officials for being here this afternoon and giving us the opportunity to ask those questions and bring some concerns to light. And hopefully those that the minister indicated that he would look into, together with some of the other departments, and be able to deal with those in a way that treats people as decently and with as much respect as we all in the province would like to see that happen. Thank you.

Subvote (JU01) agreed to.

Subvotes (JU02), (JU04), (JU03), (JU05), (JU07), (JU08) agreed to.

Vote 3 agreed to.

**Supplementary Estimates  
General Revenue Fund  
Justice  
Vote 3**

Subvotes (JU06), (JU08) agreed to.

Vote 3 agreed to.

**General Revenue Fund  
Industry and Resources  
Vote 23**

**Subvote (IR01)**

**Hon. Mr. Lautermilch:** — Thank you very much, Mr. Chairman. To my right is Larry Spannier, the deputy minister of the department. To his right, Debbie Wilkie, executive director of corporate resources. To my left is Bryon Burnett, the assistant deputy minister of industry development. Behind me and to my left is Dan McFadyen, the assistant deputy minister of resource development. Behind me, Bruce Wilson, executive director of petroleum and natural gas.

As well, with us today are Jim Marshall, who is the ADM (assistant deputy minister) of economic policy; Hal Sanders, director of mineral revenue and investment services; George Patterson, executive director of exploration and geological services; Gerry Adamson, the vice-president of Saskatchewan Trade and Export Partnership; Lori Usick, director of finance and administration for Tourism Saskatchewan; and Roy Anderson, president and CEO (chief executive officer) of Tourism Saskatchewan.

**Mr. Stewart:** — Thank you, Mr. Chair, and thank you, Mr. Minister. I'd like to take this opportunity to welcome the minister's officials. And I know that they will be a great help in aiding us in getting through this material this evening.

Mr. Minister, I'm holding a photocopy of an article in the *Deep South Star* which is published in Radville, Saskatchewan, author Don Baron. The article among other things says:

One thing . . .

The headline is "Calvert Slashes Taxes."

It begins:

One thing our cash-starved NDP government now wants badly is to have a real oil patch here. Premier Calvert is leaving no doubt he believes the geologists who tell him there is lots of gas and oil to be found. And his government is prepared to do what it takes to get it. For an oil patch would generate excitement and prosperity as well as lots of real money.

That's why he's busy slashing taxes and cutting regulations that discourage junior oil and gas companies from venturing wholeheartedly into the province.

It goes on to say:

Lower royalties are set on the first gas coming from new exploratory wells.

Mr. Minister, could you tell us over the last year what tax and royalty changes have been made that would lure oil and gas companies to this province?

**Hon. Mr. Lautermilch:** — Well, Mr. Speaker, I would want to say to the member opposite that the work didn't begin a year ago. This work started in 1991 which has resulted in a doubling of the production in this province.

I think the activity that's taken place in Saskatchewan speaks for itself. We've done a number of things. We've dealt with high water cut. We've gone through reviews of horizontal drilling, royalties, and taxation. We've upgraded and updated on an ongoing basis and we continue to do that. Those discussions are ongoing. And we hopefully will ensure that Saskatchewan remains a positive place for the oil and gas sector to invest.

**Mr. Stewart:** — Well thank you, Mr. Minister. I wonder if you could tell me more specifically, have any of these measures been taken during the last year since we had an opportunity to do estimates a year ago?

**Hon. Mr. Lautermilch:** — Well, Mr. Chairman, I think the member is well aware — he has discussions with CAPP (Canadian Association of Petroleum Producers) as we do — that we're in the process of negotiating some updated fiscal arrangements with the industry right now.

**Mr. Stewart:** — Specifically, what items are being discussed now as far as tax and royalty changes?

**Hon. Mr. Lautermilch:** — Mr. Chairman, the whole range from sales tax to corporate capital tax to royalties and taxation.

**Mr. Stewart:** — Thank you, Mr. Minister. Has there been any streamlining of procedures for oil and gas companies to get permits for drilling and so on?

**Hon. Mr. Lautermilch:** — Mr. Chairman, I'm told by the industry that our process as it relates to access to permitting and licensing is much superior to our neighbours in Alberta. There's always room for improvement and we continue to work on that.

**Mr. Stewart:** — Thank you, Mr. Minister. You go on to say in that . . . you're quoted in that article, that same article in the *Deep South Star* saying that:

. . . the largest tax reduction for corporations in history begins in 2003.

Could you outline that for the Assembly please, Mr. Minister?

**Hon. Mr. Lautermilch:** — Well I think the member is well aware of the corporate tax system and how it's been restructured. The Department of Finance is the department responsible for that.

As you will know, there has been a very large personal and corporate tax reduction to the tune of \$430 million a year or thereabouts, the largest tax reduction in the history of the province.

**Mr. Stewart:** — Thank you, Mr. Minister. But I'm wondering more specifically what corporate tax cut is going to begin in the year 2003 that you're quoted as talking about in the article?

**Hon. Mr. Lautermilch:** — I think that's referring to the package of personal income tax and corporate income tax changes and small business taxes thresholds as it relates to taxes announced in this spring's budget.

**Mr. Stewart:** — Thank you, Mr. Minister. Kensington Resources and DeBeers as well as now some other, Geodex Minerals and I think Iciena Ventures Inc. are seriously involved in diamond exploration in the Fort a la Corne area.

I'm wondering, can the minister give this Assembly an update of what information has been received as far as assay information and does it look positive for development? And if so, when can we expect the companies to be in a position to make a decision as to whether to go ahead or not?

**Hon. Mr. Lautermilch:** — Well, Mr. Chairman, I would want to say to the member opposite that we have been in pretty close contact with the people who are investing the money in terms of the Fort a la Corne area as it relates to hopefully establishing the ability to put in place a diamond mine.

Much of the information, as you will know, is proprietary and the companies will keep very close to their vests some of the information. Some of course is shared with the department; some is public and some is not.

I can only say that we continue to work with the industries in terms of attempting to facilitate a diamond mine. But of course the exploration that is taking place will ultimately determine whether or not there is adequate resource to move a diamond mine forward.

**Mr. Stewart:** — Thank you, Mr. Minister. I guess what I would like to know is if the industry has given a recent estimate of when they will have enough assay information available to make a decision on whether to go or not to go.

**Hon. Mr. Lautermilch:** — Well I'd want to say that the results of the diamond exploration of the province have been

encouraging. The companies are optimistic.

They tell us that considerably more work is required in order to prove that the deposits are economic. So I'm assuming that the drilling program will remain in the millions of dollars and as they move forward and assay the results of that drilling, they'll come closer to a decision. Every million dollars that they spend, in terms of exploration, hopefully brings us one step further to the announcement of a viable mine.

**Mr. Stewart:** — Thank you, Mr. Minister. Has any work been done to set up a tax and royalty regime for the diamond mining industry, supposing they go ahead? I know that likely the diamond industry would want to know this information well in advance of making any decision on whether or not to invest millions, hundreds of millions of dollars in this province.

**Hon. Mr. Lautermilch:** — Mr. Chairman, the department is currently looking at different royalty structures, taxation structures, in other areas of the world. They're looking at different options, and I think we are taking a very proactive approach. If it should happen that a diamond mine becomes part of our development activity here in the province I can assure you that the department will be more than ready.

**Mr. Stewart:** — Thank you, Mr. Minister. I have a letter in front of me from Mr. Ewaschuk, Potash Corporation of Saskatchewan, addressed to the Hon. David Anderson and the Hon. Allan Rock, regarding the federal government's, if not decision, at least they've been talking about declaring road salt a toxic substance.

The potash industry is extremely concerned about this sort of thing as they've stored huge piles of the material on their premises, and of course they market it as well. Have you been in contact with these federal ministers or has your department taken any action to ensure that road salt is not declared a toxic substance?

**Hon. Mr. Lautermilch:** — Thank you very much. Mr. Chairman, I can say that the department has been very proactive. The department has been made well aware of this issue by the potash producers, both Anderson and Dhaliwal have been contacted by the department. We will continue to pursue this issue to ensure that potash is exempted. And I think it's fair to say that we've got a very positive working relationship with the Saskatchewan potash producers and we continue to represent their interests in Ottawa.

**Mr. Stewart:** — Thank you, Mr. Minister. We've heard for sometime, several years now, about a proposed expansion to the Husky Oil upgrader in Lloydminster. I'm wondering, is this project still alive or has it been shelved?

**Hon. Mr. Lautermilch:** — Okay, I can say to the member that the project, as we understand it, is still alive but they have made no specific proposals to the department. I would assume that it would be part of their overall corporate decision-making process. And if the expansion to the upgrader in Lloyd makes corporate sense to them, I'm sure that they'll contact our department.

I want to say that Husky has been very active in the province.



Their upgrader is functioning very well serving the province very well, and we continue to have a close working relationship with Husky.

**Mr. Stewart:** — Thank you, Mr. Minister. What would the upgrading capacity of Husky Oil in Saskatchewan be if this expansion were to take place, Mr. Minister?

**Hon. Mr. Lautermilch:** — Well I wouldn't want to speculate on, you know, on the impact. Clearly the more upgrader capacity, the more heavy oil would be pushed through our system.

I think it's fair to say that we would continue to support Husky. If they were to look for an expansion, we'll work with them as we have in the past. Whatever is in the interests of the province of Saskatchewan is the area we would pursue.

**Mr. Stewart:** — Thank you, Mr. Minister. I'm still a little in the dark as to . . . I've spoken with Husky officials and they're very keen on doing this project. There's certainly more than enough heavy oil in the area. I'm still a little in the dark as to what your opinion is of what's holding this project up.

**Hon. Mr. Lautermilch:** — Well I can tell you that from what I understand, the royalties and taxation that we put in place are competitive. The number of heavy oil wells that are producing in this province is . . . I think speaks for itself. The number of wells that have been drilled in the past decade are, I think, fairly positive.

We use a regulator . . . can't control Husky's day-to-day corporate experiences, nor can we make decisions in terms of where their investment priorities would be, only to say that our department officials work very closely with the industry, Husky included, and if they bring forth proposals, we're more than willing to work with them. And if there are impediments we're willing to work with them to see if we can move those out of the way.

**Mr. Stewart:** — Thank you, Mr. Minister. I wonder if you've been informed by Husky officials, as I have, that this province's labour laws and regulations are a major impediment to that expansion?

**Hon. Mr. Lautermilch:** — Well I can tell you that I've been informed by a number of people in the oil and gas sector that Saskatchewan is a very good place to do business, and I think that's evidenced by the number of companies working in the province. That's also evidenced by the drilling activity.

I can say we know clearly where members of the opposition stand as it relates to working people and labour legislation. But I'm not going to go there tonight, only to say that I think we've got a balanced department and we've got, you know, a balanced investment climate. It doesn't serve the province well to have legislation that either favours only industry or only labour. We need a balance so we strive to find that balance.

**Mr. Stewart:** — So then, Mr. Minister, you can tell this Assembly that Husky officials have definitely not told you that labour laws are not a problem and an impediment to this expansion?

**Hon. Mr. Lautermilch:** — I can tell you that the discussions are ongoing with the different industries, and different industries and different components of industry will have different issues. And the discussions that we have are in the hopes of moving our province forward and moving our economy forward. We indicate to them in every meeting that we have that it's our role — Department of Industry and Resources — to help to facilitate the positive climate here in this province.

And sometimes there are disagreements between industry and government. I think that's the nature of discussions, the nature of negotiations. And in negotiations we don't always get what we attempt to achieve — either side of the discussions when they take place. I can only say that this department has been very proactive in working in a positive way with industry, Husky included.

**Mr. Stewart:** — There may have been an answer in that somewhere to my question, but I'm sorry — if there was, I missed it.

Has Husky informed you, Mr. Minister, that labour laws in this province are an impediment to that expansion in the Husky facility at Lloydminster?

**Hon. Mr. Lautermilch:** — I think the industry has informed me in a general way that the negative attitude in this province is somewhat of an impediment in terms of attracting investment. I can tell you that we meet with Husky and the issues will change from day to day and from time to time, and I think Husky has found Saskatchewan a very good place to do business with.

And I met with them just the other day as it relates to ethanol development; they're very encouraged by what we've done in terms of the ethanol legislation. And as I said the issues change from day to day and we continue to work in a very positive way with Husky and other companies in the province.

**Mr. Stewart:** — Well thank you, Mr. Minister. Recently, I believe around March 1 — I don't have an exact date on this — but the British Columbia Minister of Finance, Mr. Gary Collins, was speaking to a gathering of oil executives in Calgary. And one of the things he said was that BC wants to generate \$20 billion of investment in the oil and gas sector by the year 2008, doubling oil and gas production in the province by 2011.

And among the ways British Columbia plans to do this are reductions in corporate taxes, some fuel taxes, and taxes on machinery and equipment, along with improvements to road infrastructure in the province's north where the bulk of BC's current oil and gas reserves lie. As well, BC is moving to streamline oil and gas permitting, reduce the province's more than 400,000 business regulations by one-third within three years, and is developing a new comprehensive energy strategy. He also addressed a key issue for the oil patch which is uncertainly surrounding access to resources.

Mr. Minister, these are the measures that British Columbia seems to feel that are necessary for them to double investment in the oil patch in 10 years roughly. I'm wondering, has any consideration been given to that sort of expansion in that industry in Saskatchewan?

**Hon. Mr. Lautermilch:** — Well, Mr. Chairman, let me just give the member a bit of an overview. Right now there are about 400 oil and gas companies operating in this province. They've invested about \$1.4 billion in new exploration and development in 2001. There's about 21,000 direct and indirect jobs associated with the upstream oil and gas sector in 2001.

A third quarter financial report shows the industry will generate royalty production and land sale revenues of approximately \$625 million for 2000-2001. Industry accomplishments in 2001 included a new gas well drilling record of 1,395 wells, a new oil production record of approximately 155.7 barrels. It is notable as well that oil production, as I indicated earlier, has doubled between 1991 and between 2001. The province has reduced its . . . or introduced improvements to the oil and gas royalty taxation structures in '94, '98, and '99. And as I've indicated we're working on another package right now.

We've introduced new initiatives to encourage long-term exploration and development. There's a new generic EOR (enhanced oil recovery) recovery royalty tax structure for new CO<sub>2</sub> production like the Weyburn project and the southern geoscience project developed. The province has made significant commitment to research and development at the petroleum research centre here in the campus in Regina.

So I think we've done a lot. Certainly there's much more we can do. But I find it interesting that the member would take us to the British Columbia experience because, from what I've read in the newspapers and what I've heard from people in British Columbia, the experience has not been totally positive.

They've also introduced the largest deficit that I've seen — I don't think we've ever had one in this province of that magnitude. They've slashed hundreds and thousands of civil service jobs and programs. And, Mr. Speaker, if the member opposite is suggesting that we attempt the British Columbia model which is what his leader, the Leader of the Saskatchewan Party, was a proponent of a few weeks ago . . . and I'm surprised they're raising it tonight because I haven't heard anything about that for weeks now, ever since the British Columbia people put their budget together and made it public. But I would only want to say we've accomplished a lot. There's a lot more to be done.

Oil production has doubled in the last decade here in this province, and I think that speaks well for the way the oil and gas sectors work with this government. I've been the minister responsible for Energy and Mines for seven maybe, out of those years, six, seven years, and it was a very positive experience. And as I've said, I find the oil and gas sector to be a very sophisticated lot in terms of their ability to understand issues. They don't, I believe, want to see deficit budgeting here in this province either.

We could have made a bunch of commitments, and we could have made a commitment to perhaps instead of double the oil production to quadruple it. But what then would we have had to do in terms of forgone revenue in order to make that happen? Well I don't know, but we just determined we would do a reduction to royalties and taxation as the province can afford it.

We're very serious about balancing our budgets, unlike the

people from British Columbia. So you can compare us to them, and you can use those as the model, but they're no role model for us here in the province.

**Ms. Julé:** — Thank you, Mr. Chairman. Good evening to the minister and his officials. Mr. Minister, I posed a couple of written questions to you during this session and asking you what the total compensation paid by SGGF (Saskatchewan Government Growth Fund Ltd.) to Gary Benson was in 2001, and the reply I got was zero. And I then posed another question asking what the total compensation paid by the Crown Capital Partners to Gary Benson was in 2001, and the answer was zero.

I'm a bit puzzled by this because, Mr. Minister, in December of 2001 I wrote a letter to your department asking questions surrounding SGGF's involvement with Wolverine industries in Humboldt . . . Wolverine Resources. And that letter was referred to Gary Benson, under the SGGF fund. So I'm wondering who it was that does compensate Mr. Benson or who did compensate him in 2001 if it wasn't compensation coming through the fund or through Crown Capital Partners, because I don't believe Mr. Benson would have replied to my letter if he were not employed by someone.

So I ask you today: who or what body would have been compensating Mr. Benson for his services at that time?

**Hon. Mr. Lautermilch:** — Mr. Chairman, I can only tell the member that the answers she received were accurate and if she would like further information, I think it may be appropriate to call Mr. Benson's office or have him respond to her directly.

**Ms. Julé:** — Mr. Chairman, it's my understanding that the provincial government took the responsibility for administering the SGGF fund, and therefore there should be some answers forthcoming on the people involved in that fund and that were helping to administer it, and Mr. Gary Benson was one of them.

It seems to me that the minister should have knowledge of how this person was being compensated. From the answers that I have received from your department, there was . . . there's, basically, there is no answer on where the compensation came from. There has to be an answer because he was obviously receiving some sort of fee or compensation for his services.

I'm asking you a simple question and I think that you're responsible for answering it. So can the minister indicate to me where the compensation did come from to pay Mr. Benson?

**Hon. Mr. Lautermilch:** — Mr. Chairman, the question was pretty straightforward, and it was asked about the compensation and the answer was pretty straightforward. I can't change the answer because the member doesn't like the answer. I can only give the answer that I am supplied with by my department and I have given that, given that answer.

We have, I think, responded to in the neighbourhood in this session of 430, 440 questions, written questions. It's been a fairly substantive workload, and we were very pleased to have those answers happen. But I can only say we will respond directly to the questions that are asked of us and, in this case, we've done that.

**Ms. Julé:** — Mr. Chairman, to the minister, in view of the fact that I am not getting an answer, I find it hard to believe that the only other possible answer was that Mr. Benson would have been, would have been providing his services free of charge. If that's the case, then that would be interesting to know.

I just make that comment, Mr. Minister, and I find it disappointing that I can't get an answer to this question.

**Hon. Mr. Lautermilch:** — Well, Mr. Chairman, perhaps I can be of some help. What I will do is I will have my department contact Mr. Benson and ask if he would respond directly to the member with respect to how his remuneration takes place, through what agencies. And I'm sure he would be even willing to supply the amount of his remuneration.

**Mr. Stewart:** — Thank you, Mr. Chair. Mr. Chair, Mr. Minister, in his Fall 2001 Report, the Provincial Auditor stated that the Department of Energy and Mines at that time must maintain a better mapping system to help the industry search for new mineral deposits.

Can the minister please provide the House with an update as to where this situation is, currently stands?

**Hon. Mr. Lautermilch:** — Mr. Chairman, we have within the department hired three new geologists, and I know that branch of the department is very excited about that because we have been attempting to improve our geoscience information. I'm told that we're expanding from the existing four areas to seven areas in the very near future. So I think this will be a very positive thing for industry.

**Mr. Stewart:** — Thank you, Mr. Minister. The auditor also states that your department needs to update and improve access to Saskatchewan geosciences data. Can you, Mr. Minister, give the House a progress report on this matter?

**Hon. Mr. Lautermilch:** — Mr. Chairman, we've posted a lot of our information on the Web, and I'm told there are some technological advances that we are introducing to help expand access to the knowledge. I find it really interesting within the department, just the amount of paperwork and the amount of paper that's been accumulated over the years in terms of mapping and, if you go to the other buildings, the amount of core samples that have been stored over a period of time.

It really is an amazing arm of government. We're very much trying to move into the new electronic age on all of these initiatives. Information that we can disseminate quickly and cheaply is where we intend to be and where we intend to go.

**Mr. Stewart:** — Thank you, Mr. Minister. Also in the Fall 2001 Report, the Provincial Auditor states the department must have better rules and procedures in place so producers are aware of deadlines for submitting documents on time. This is in relation to mineral rights, taxes, and other fees.

Has there been any progress made in this area?

**Hon. Mr. Lautermilch:** — Mr. Chairman, I'm told that both in the mineral sector and in the oil and gas sector, we have moved to ensure that that information is up to date and so there have

been more resources put to that.

We want to say Energy and Mines, former Department of Energy and Mines was a small department. They did a heck of a lot with few resources and we are . . . we're now hopefully moving forward and I think it served industry very, very well. But as I said before, there's always more that can be done and we're certainly moving . . . moving ahead on the information flow and on processing of the kinds of things you raised here tonight.

**Mr. Stewart:** — Thank you, Mr. Minister. Does the department currently or is the department currently conducting any special engineering projects relating to the oil and gas industry in-house?

**Hon. Mr. Lautermilch:** — Mr. Chairman, I am told by the officials that they're part of . . . they're part of processing information that they gather and request that they gather on an ongoing basis.

And I think if the member is asking, is there any new huge initiative, megaproject, I think the department officials are saying it's pretty much business as usual. There are a lot of projects out there that are . . . that are good, positive projects, making some sense. And they're continuing to work forward to try and gain some advantage for the province of Saskatchewan through their work.

**Mr. Stewart:** — Thank you, Mr. Minister. I appreciate that. But I wasn't really referring to any huge megaprojects. I was asking more specifically about in-house special engineering projects, particularly in oil and gas.

**Hon. Mr. Lautermilch:** — No, Mr. Chairman, we don't do any of that kind of work internal to the department. That would probably be more a role of the partnership between the oil and gas companies, between industry and resources, the federal government, and the Research Council through the petroleum research centre. That's really where that kind of work would take place. So whatever resources we have allocated to that kind of work would go to the petroleum research centre.

**Mr. Stewart:** — Thank you, Mr. Minister. Mr. Chair, and Mr. Minister, what . . . the current price per tonne of potash and projections to the end of this fiscal year, how is that likely to impact the budget?

**Hon. Mr. Lautermilch:** — Mr. Chairman, the prices are pretty stable. There's not a lot of fluctuation and folks are telling us that if it proceeds the way it's looking at this point, in all likelihood our revenue projection as it relates to potash royalties and taxation will be pretty much what we projected. So the price is pretty much what our folks were thinking it may be.

**Mr. Stewart:** — Thank you, Mr. Minister. Will potash revenues be pretty much on track with last year then? I guess that's my question.

**Hon. Mr. Lautermilch:** — Mr. Chairman, we're told that we're pretty much on track. There's been a bit of a fluctuation, as the member will know, in terms of price of natural gas and the potash companies were and are large consumers of natural

gas. But we think there might be a slight increase but for the most part it'll be pretty much as what we forecasted for last year.

**Mr. Stewart:** — Thank you, Mr. Minister. Then will potash revenues be sufficient to generate the extra \$40 million that was projected in the recent budget?

**Hon. Mr. Lautermilch:** — We believe so.

**Mr. Stewart:** — Thank you, Mr. Minister. What is the current price per pound of uranium or what is it doing, and what are projections for uranium to the end of the fiscal year?

(18:30)

**Hon. Mr. Lautermilch:** — Mr. Chairman, the price is in the range of 9 to \$10, and it looks like it will be pretty stable throughout the rest of the year.

**Mr. Stewart:** — Thank you, Mr. Minister. Is that roughly what was projected in the budget?

**Hon. Mr. Lautermilch:** — Yes.

**Mr. Stewart:** — Does the department have predictions for the price of oil for the balance of the fiscal year? And I guess my question is, how will that impact the budget and revenue to the province?

**Hon. Mr. Lautermilch:** — Mr. Chairman, the budget figures were \$20.50 a barrel. As the member will know, it's been sort of fluctuating around 25, \$26. But I mean we're three months into the year and a lot can happen over, of course, of the balance of this year. So it would appear that we will be experiencing some incremental revenues over what we had budgeted for. Just how much that will be I guess we'll have to wait to determine.

We use a similar number to what Alberta and other oil producing provinces are using as they put their budgets together. And when we get a positive surprise, we do. But it's not always positive.

**Mr. Stewart:** — Thank you, Mr. Minister. And I guess I'd ask a similar question about natural gas. How is the current price and the projected price to the end of the fiscal year likely to impact the budget?

**Hon. Mr. Lautermilch:** — Thank you. The number we budgeted was about \$3. It's been somewhat above that, as you will know, so I guess you could make a similar argument for what we said on natural gas. I think one would rather have an surprise on the positive, on the upside than one would if we had budgeted, say, \$6 and we find out that the year-end figure comes in at 5. That's not where we want to be.

But we try to use the best market analysis that we can and use the best judgment and the experience from within the department and experts outside of the department to help us formulate these figures.

So right now, it's up. Hopefully, over the course of the year,

we'll have a good positive experience from that as well.

**Mr. Stewart:** — Thank you, Mr. Minister. Mr. Minister, I have a document in my hand prepared by Cameco Corporation, and they talk about marginal tax breaks here in Saskatchewan and other jurisdictions where uranium is mined. They make the comparisons of three different prices, of \$14.50 per pound. The marginal tax rate in Wyoming is 25 per cent, Nebraska 23 per cent, Kazakhstan 30 per cent, and Australia 33.9 per cent, and Saskatchewan is at 47.7 per cent.

At \$21.80 per pound, Wyoming is still 25 per cent; Nebraska's still 23 per cent; Kazakhstan is 30.6 per cent; and Australia's still 33.9 per cent. But here in Saskatchewan, we get up to 51.7 per cent of that price.

And at a price of \$29 per pound — which is certainly not out of line, Mr. Minister, it's been well over \$30 a pound in the past — Wyoming's still at 25 per cent; Nebraska's still at 23 per cent; Kazakhstan's 30.8 per cent now without the whole two-tenths of a per cent, and Australia's still at 33.9 per cent. But at that price, Saskatchewan is at 56.7 per cent. And this only includes, Mr. Minister, a resource surcharge, additional royalties, and income tax — corporate income tax. There are other taxes of course.

I wonder, Mr. Minister, is any effort being made . . . and I know this impacts budget very considerably, but is any effort being made to get our marginal tax rate in line with other uranium producing jurisdictions?

**Hon. Mr. Lautermilch:** — Mr. Chairman, I would want to say to the member opposite, and I'm not familiar with the numbers and whether or not what the date of his letter is, but we did make some changes to the marginal tax rate last year. So this was not that long ago.

But having said that I think what needs to be taken into account when you're looking at royalties and when you're looking at taxation and competitiveness, there's a whole myriad of things. We have a very rich uranium resource here in the province. It's not the kind of a deposit where you have to go through a lot of ore in order to get to the product. So I think it's fair to say if you look at the expansion and the development that's taken place in the province, we must be somewhat competitive. There's always room, I would argue, for some improvement and we're always looking at ways to make ourselves more competitive, you know.

And I'll just give you some examples. We've reduced potash taxes in this province from 50 per cent to 35 per cent; uranium royalties have been reduced from 50 to 15 per cent; gold-based metal royalties have been reduced from 12 to 10 per cent. So you know it's part of the process that you begin but you don't ever really complete.

The oil and gas sector — we're looking at what we might be able to do right now as it relates to do production, whether we can make Saskatchewan even more competitive than it is, you know. It's just something you need to continue to work with industry which is why you have to have a good working relationship and it's important that you have a good, close dialogue so that you can talk over some of these issues and have

a look at your competitiveness as it relates to other jurisdictions in the overall.

So we continue to do that and I think we've had some successes. There's always more we can do.

**Mr. Stewart:** — Well, thank you, Mr. Minister. Just for your information this document appears to be dated March 28, 2002.

Mr. Minister, Potash Corporation of Saskatchewan, formerly a Crown corporation, now privately owned — in you and your department's opinion, Mr. Minister, has PCS, (Potash Corporation of Saskatchewan Inc.) was it a bigger contributor to the economy as a Crown corporation or now privately owned?

**Hon. Mr. Lautermilch:** — I don't think that was the largest part of the debate. We had an asset that we wanted to achieve a good value for if we were to liquidate the asset. It was an asset that we didn't feel had a strategic position and portfolio. Subsequently we sold shares and sold our shares.

I think if the member is wanting to enter a philosophical debate as to whether or not a mining industry should be publicly or privately owned, we'd go there. We can do that with utilities as well. But I would only say that we had in terms of that asset received fair value for the shares. We're no longer participants in the corporation. I think Cameco is satisfied with that and so are we.

**Mr. Stewart:** — Thank you, Mr. Minister. There seems to be some confusion; I was talking about Potash Corporation of Saskatchewan. And I don't want to enter into a philosophical debate. I'm just wondering if the minister has any numbers as to which was greater, the dividends that PCS paid to the province as a Crown or the taxes and royalties that they pay now as a private company.

**Hon. Mr. Lautermilch:** — Mr. Chairman, I'm told there is really no difference in terms of the taxes and royalties that they pay, you know, in terms of the profits to the Crown and what has happened as a result of the sale of the shares and how that's been applied to different initiatives. You'd have to ask those questions in Crown Investments Corporation because those aren't details that my department would have.

**Mr. Wiberg:** — Thank you very much, Mr. Chair. Welcome this evening, Mr. Minister, and to your officials.

Mr. Minister, in the restructuring that your government did in March, two departments disappeared and certainly there was some combining of departments. There was some cross . . . combining of responsibilities.

During that period of time, your government had a press release indicating that in the Department of Industry and Resources that you were going to take a role in regards to forestry. I'm wondering if you could explain to us this evening, Mr. Minister, how forestry is now fitting in with your department, how much of forestry is now fitting in with your department and how much further you have to go into completing this mixture?

**Hon. Mr. Lautermilch:** — Mr. Chairman, I can say that, you

know, we've always had a very collaborative approach with the Department of Environment as it relates to economic development and forestry initiatives. And I think the member will be able to understand the not limited success but the very positive success that's happened as a result of that — a billion dollars in investment, a lot in our backyard over the last two and three years.

And so I would want to say that we work on a project by project basis. We have people within the department who are working directly on forestry projects, forestry initiatives, as it should be. We need to work with the Department of Environment as it relates to environmental processes that may or may not be required, and we work on an ongoing basis with them.

And I would want to say that although FTEs (full-time equivalents) don't flow back and forth, the thoughts and the ideas and the ability to work together is very much there. And I want to say to the people who work in the Department of Environment as it relates to forestry development, we very much appreciate the co-operation that we receive from them.

**Mr. Wiberg:** — Mr. Chair, to the minister, my understanding then is . . . on this side of the House, we'd like to clearly understand this from your department's point of view . . . is that . . . is the responsibilities your department undertakes in regards to forestry remain strictly in the area of economic development only?

**Hon. Mr. Lautermilch:** — Well in terms of what happens in harvesting and as it relates to forestry related matters, the reforestation, those types of things, the FMAs (forest management agreements) and the commitments under the FMAs, that's very much the work that happens in the other department.

Our role and our focus is very much on projects and economic development and ensuring that we continue to bring the kind of successes to the province that we have in the last two and three years: some new sawmills some new value added, some new manufacturing processing. Hopefully we can be fortunate enough to secure another pulp mill and maybe some newsprint production. You know, that's really our focus.

The licensing and the regulatory regime is not part of this department, nor will it be.

**Mr. Wiberg:** — Mr. Chair, to the minister, in your press release, though, in March, it clearly indicated that forestry was going to be falling under the jurisdiction of Industry and Resources. What changed in the immediately following days after that announcement that could indicate to us why forestry remained with the Department of Environment and did not move into the Department of Industry and Resources as first indicated in the early press releases?

**Hon. Mr. Lautermilch:** — Well, Mr. Chairman, nothing has changed. If you look at the blue book, there is three FTEs that have changed; \$243,000 has come to the department. That is there. We're responsible. And if the member is watching, the response in terms of economic development as it relates to forestry comes from this department. We have other resources within the Department of Economic Development as it relates

to forestry, and I think it's working very well.

(18:45)

**Mr. Wiberg:** — Mr. Chair, to the minister. Obviously I didn't get my question across as clearly as I would have hoped, and I apologize for that. So I'll try that one more time.

Certainly in areas of oil and gas, in areas of mining and energy, all sorts of energy in this province, that remains under the jurisdiction of Industry and Resource. And so I guess on this side of the House we're not clear as that forestry we consider, on this side of the House, to be a resource and why it would remain under, why it would remain, Mr. Minister, under the auspices of Environment.

We feel that, on this side of the House, there is huge opportunity, and you've indicated that there are some possibilities that are being looked at by your government. And we're not wondering if maybe having all resource sectors under the auspices of Industry and Resource might streamline the system a little more.

So we're a little curious as to why forestry, as an economic development opportunity, did not transfer across the lines, as first indicated in the press releases, and why it has remained with the Department of Environment.

**Hon. Mr. Lautermilch:** — No, no, I think it has transferred as it was announced and as we understood it. I think quite clearly we've got the economic development component of forestry under the purview of Industry and Resources. So I, you know, think we're quite comfortable with it.

There may be some positive suggestions that could be put forth by members of the opposition, and we would certainly welcome them. I think our system works quite good.

The member will know there is a lot of environmental sensitivity to resource development on both the non-renewable and renewable resource side. It's our goal to ensure that we've got some balance so that you have the appropriate environmental watchdog agencies doing what they need to do, that we ensure that we're doing adequate reforestation and clean-up after there's been an intrusion, whether it's into the forest or whether it's into an oil producing part of our environment. I think we've got a good mix right now as it relates to economic development in forestry.

And you know, I think time will tell. But there's always, as I say, ways to do things differently. But we're very comfortable internal to the department and we think things are working fairly well.

**Mr. Wiberg:** — Mr. Chair, to the minister. I have one further topic I wish to pursue this evening before I'm done.

Mr. Chair, to the minister, in April I believe of 1999 it was the former premier at that time announced that he would like to bring into this province a research and development type of opportunity specifically attached to the forest industry. And certainly over a period of time we've seen some debate take place surrounding that facility and of course we know at one

time on this side of the House we understood very clearly there was some friendly competition between the city of Saskatoon and the city of Prince Albert as to who should attain that opportunity for R&D (research and development).

Now, Mr. Minister, I guess on this side of the House we'd kind of like to have . . . where Industry and Resources is at on this issue in establishing research and development opportunities for Saskatchewan and what city you might be looking at at this time.

**Hon. Mr. Lautermilch:** — Thank you, Mr. Chairman. I would say to the member opposite that the decision as it relates to the Saskatchewan forestry centre has been made. I think you might have been at the announcement, if I'm right, at the Elks . . . on the riverbank on the beautiful North Saskatchewan River we announced the establishment of that, along with our federal partners.

Since then we've established a board of directors, the centre has been established and I think the fact that we've had private sector partners come to the plate . . . private sector partners sit on the board of directors to move the forestry initiatives along, look for opportunities to value add, and to do things perhaps in a very positive way.

That centre has been established. I think the people of Prince Albert are very happy that it's there. I know the industry players certainly are. And so the decision has been made, and it's been announced, and it's up and running.

**Mr. Wiberg:** — Mr. Chair, to the minister. The . . . certainly the people of Prince Albert are very proud that this centre is coming to Prince Albert to some degree. The original announcement by the former premier is that this centre would evolve around research and development.

And certainly in other areas of the province, if we can take the city of Regina we have the oil research park here, the city of Saskatoon certainly has the synchrotron. It has the Innovation Place — all this built around research and development which, Mr. Minister, are attached to centres of learning. Is it still on the radar screen that this so-called forestry centre is going to be involved in research and development?

**Hon. Mr. Lautermilch:** — Mr. Chairman, I guess I'd like to be able to clarify, if I could, the forestry centre is not so-called. It's functioning. It's operational. It has a board of directors. It's housed in a building in Prince Albert.

With respect to research and development, Forintek, which is the largest research in terms of forestry in Canada, is very much part of the research centre. They're there. They're working. And in terms of research and development in forestry, that is happening. It is taking place, and it will into the future.

**Mr. Wiberg:** — Mr. Chair, to the minister, you talk about R&D, research and development, is taking place. And certainly I think on this side of the House . . . I wonder if we could get a little clearer statement of what kind of research and development, and you mentioned the firm of Forintek, I believe, is involved in this now, and certainly I know some people involved in that.

Just what kind of research and development is starting to take place so that we can start to further maximize economic development in forestry in Saskatchewan?

**Hon. Mr. Lautermilch:** — Thank you, Mr. Chairman. You know I just want to remind the member opposite that the announcement for the forestry centre was made just a few short months ago, so it's very much in its formative stages.

The goals, as it relates to the research centre, are to determine the nature of Saskatchewan's forest, what kinds of things we need to do here to maximize valued-added and economic development opportunities; what we need to do in terms of silviculture, what we can do in terms of genetics, what we can do in terms of reforestation and how we do things better. That's the nature of the research and development.

It's to have a Saskatchewan application to improving the lot of our provincial forest and to securing a very secure and a sustainable forestry development and harvesting pattern, and that's part of what this forestry research centre will be doing.

So it's research and development. But as well it's value added — looking at what we can do to improve on the number of jobs that we achieve with every cubic metre of forest that we harvest. It's new. It's been a long time coming. And I think it was the right thing to do, and I think it will serve Saskatchewan, in particular northern Saskatchewan, very well in the upcoming years, and I think it will end up being something that we can all be very, very proud of.

**Mr. Wiberg:** — Mr. Chair, to the minister. Certainly research and development on forestry in central and northern Saskatchewan is going to be a much needed and much welcomed opportunity. I'm wondering if you could just further clarify for me, Mr. Minister, in your department there must be some sort of thinking going on now as to how some of this research and development — just some visioning, just some visioning, Mr. Minister — of how this research and development could take place.

Is it just going to be to some degree a collation of information that is already available throughout the similar forests in North America, or do you see this as an opportunity to become more a Saskatchewan-specific and a specific type of forest that we have in Saskatchewan, the learning, the learning, Mr. Minister, that could take place specifically with Saskatchewan type of forest?

**Hon. Mr. Lautermilch:** — Mr. Chairman, the department does not give direction to the Board of Directors of the Saskatchewan forestry centre. That's why that board is there, and it's I think a very positive board. It's a good board, and they will be developing the vision.

But I . . . just let me use one positive example. In the area of agroforestry, as the member will note coming from the boreal forest area of Saskatchewan, there's been a lot of, I guess, a lot of agriculture land right now that may in fact be better suited to agroforestry, and it might be that agroforestry is very much able to give a larger rate of return, to be more environmentally friendly, but also to provide more revenue for the province and the people that own the land.

So the whole area of agroforestry is open for, I think, some very interesting discussion and probably some very interesting opportunities. The federal government is interested in seeing that kind of an initiative take place, so we've got an interim board of directors. It's a non-profit corporation. There's been funding agreements put in place between the federal and provincial governments to ensure that the funding is there for it to operate.

So in terms of vision, what's the vision? I think a similar vision would be for all of us — create more job opportunities, create more wealth, doing it in an environmentally sustainable way, so that generations and future generations can benefit from the investment that the private sector will make in terms of capitalizing some of the projects for development at the same time ensuring that we've got a healthy forest. That's, I think, a pretty simplified approach to what is sustainable but a common sense vision in the forestry centre will help us determine how to do that.

**Mr. Stewart:** — Thank you, Mr. Chair. Mr. Minister, just a few questions on the ethanol developments to wind up our time here with Industry and Resources. Mr. Minister, was Broe industries ever offered an exclusive deal to build ethanol plants in the province?

**Hon. Mr. Lautermilch:** — No.

**Mr. Stewart:** — Don't sit down. This could be quick. Mr. Minister, was exclusivity ever discussed with Broe industries?

**Hon. Mr. Lautermilch:** — Yes.

**Mr. Stewart:** — I wonder, Mr. Minister, if you could enlighten us as to the context of those discussions.

**Hon. Mr. Lautermilch:** — Well Broe asked for exclusivity, and in turn, he would develop four plants; and our answer was no.

**Mr. Stewart:** — Do you know now, Mr. Minister, if Broe industries is interested still in developing and building any plants?

**Hon. Mr. Lautermilch:** — I would say, pending a few more attacks in this Legislative Building, I'm really not sure.

I can say the Crown Investments Corporation is still, is still in discussions with Broe. They are very much committed to an economic development opportunity here in the province. My answer would be that I think they're still very much interested in investing in Saskatchewan and building some economic development opportunities here in our province.

**Mr. Stewart:** — Thank you.

**The Chair:** — Order, order. Order. Would the member for Regina South, the member for Saltcoats, the member for Swift Current please come to order. Order.

(19:00)

**Mr. Stewart:** — Thank you, Mr. Chair. Mr. Minister, has CIC

(Crown Investments Corporation of Saskatchewan) offered to partner with other private sector partners, particularly in the four original Broe projections?

**Hon. Mr. Lautermilch:** — If the member's asking if Crown Investments Corporation has offered to partner with any other private sector developers, the answer is yes.

**Mr. Stewart:** — Is the minister aware that there are private sector developers that are aware or at least willing to build these plants without CIC involvement?

**Hon. Mr. Lautermilch:** — None to my knowledge.

**Mr. Stewart:** — Then the minister is not aware that Commercial Alcohols was interested, at least before the Broe deal was in the news. They were interested in building these plants without CIC help and they had letters from their financiers stating that they were in a position to do so.

**Hon. Mr. Lautermilch:** — Mr. Chairman, I'm going to leave the negotiations as it relates to Commercial Alcohols to Crown Investments Corporation, with Commercial Alcohols.

I could tell the member, as I've told the member, that the only financiers' proposals that I saw was the Broe group of companies. Now that's not to say that there may not be others out there. But what I am not about to do, and what I'm not willing to do, is get into a discussion with the member as it relates to exempting Commercial Alcohols, or any other company, from investing in this province.

Our position is, has been, and will be very clear. We are looking at a proponent of at least 60 per cent in equity for the development of an ethanol plant if Crown Investments Corporation is to take any role at all. Whether it be Commercial Alcohols, whether it be Broe group of companies, or whether it be company X, the offers will be made the same to each and the same to all. They will have to be based on a good sound business case. There will have to be local equity investment opportunities available. Those are the base of the criteria.

There will be no company excluded; all are welcome. And if people, companies feel that they would like to develop an ethanol production capacity here in the province without Crown Investments Corporation involvement, that is very acceptable, very welcome to us, and from us and by us. And that's the position we take.

**Mr. Stewart:** — Mr. Minister, do you think that a private investor that may be willing to build a plant say in Shaunavon or Weyburn without CIC money would see Saskatchewan as a level playing field when their competition in other areas are going to be 40 per cent possibly financed by CIC?

**Hon. Mr. Lautermilch:** — Well, Mr. Premier, I got to ask the member this because they've been on two sides of this issue. One of the members, the member from Swift Current, says that there should be absolutely no equity position taken by government. That's his position. And the other member from Cypress Hills gets up and says that they should be a loan guarantor — the government should be a loan guarantor. And it's in *Hansard* and I can read it back to the members. But one

says absolutely no risk; the other guy says you should do loan guarantees. Which one is it?

You see because, Mr. Chairman, no one from that side has articulated the Saskatchewan Party position. We have articulated ours and ours is that if it is required in order to create an ethanol industry, we're willing to invest public funds. And I can say that we've been asked . . . Well the member's the one here.

Our position is clear. Our position is very clear and it hasn't changed and it won't change. And that's all I can say to the member opposite.

**Mr. Stewart:** — No, Mr. Minister, my question had nothing to do with the member from Cypress Hills. My question was, do you believe that private investment would feel comfortable competing with Crown Investments Corporation?

**Hon. Mr. Lautermilch:** — Well, Mr. Chairman, you see here's where we differ. We differ in that I don't believe that the private sector is being asked to compete with Crown Investments Corporation. What has happened is the private sector has asked Crown Investments Corporation to take an equity position so that they can protect the 15-cent-a-litre support that this government has committed to ethanol production because they take the position that if government has an equity portion, that the rules and the ground rules won't change.

Now that's the private sector position. That's the private sector position of a private sector invest men who comes to the province with millions of dollars of cash on the dash. With cash on the dash, sir. Not the commitment of sometime, somewhere cash on the dash, but now cash on the dash for which we have said we wouldn't mind taking a small equity component if it satisfies that uncertainty as it relates to the 15-cent-a-litre support that we're giving on ethanol production. And we've also said that there needs to be room for local private sector investors and that we're willing to take up to a certain amount. And if the private sector local investment community can come together with the equity, we will back out as they will fill that component. That's what we've been saying.

So in terms of competition, Mr. Speaker, the answer is, no, we're not competing. What we are doing is we are willing to put some capital to the production and to the potential for production in order to attract the investment. That's all we've said. And the offer is open to everybody.

**Mr. Stewart:** — Thank you, Mr. Minister. Supposing that CIC does partner with Broe industries or Commercial Alcohols or some other group or entity to build one or more of these plants, does the government have any exit strategy planned? Any way to get out of this thing even supposing it's a success?

**Hon. Mr. Lautermilch:** — Well look, Mr. Speaker, if you go into an investment, you're going to find an exit strategy whether it's your partner buying you or you sell your . . . you sell your assets to another partner, whether it be local business people. I mean, that's how it is.

Was there an exit strategy on the Cameco shares? The answer is



yes. We sold them. We just up, took a notion and we sold them, by golly. We waited till the market conditions were right and there we were, gone.

So what's your exit strategy? We've already said if the local investment community will buy in, we will take a lesser component of the equity than the 40 per cent that it would take to make 100 per cent — 60 for the private sector proponent and then the 40 balance. We said we'd back out as the local people will put money in. That's what we've said.

**Mr. Stewart:** — Thank you, Mr. Chair. Mr. Minister, can you tell us, has any pressure been put on private groups or entities that were prepared to build ethanol plants to partner with CIC?

**Hon. Mr. Lautermilch:** — I can tell you that my department pressures no one.

**Mr. Stewart:** — Well, thank you, Mr. Minister. Do you know if CIC has pressured anybody?

**Hon. Mr. Lautermilch:** — I can't speak for CIC. You should ask them during CIC estimates.

**Mr. Stewart:** — Mr. Minister, are you or your staff or officials parties to the negotiations between the private entities that are interested in building ethanol plants and CIC?

**Hon. Mr. Lautermilch:** — Mr. Chairman, the discussions have been ongoing between Crown Investments Corporation and, I think, some of the communities.

Some of the communities have talked with my department. I've met with many of the communities as it relates to their proposals and where they would want to head. I can tell you some of the communities have talked with the former department of SOCO (Saskatchewan Opportunities Corporation), now with Crown Investments Corporation. There's lots of discussions ongoing.

All I can say to the member opposite here is we're going to be consistent in terms of our position. We're putting a policy position together. We're putting . . . the legislation has already been put through; we're going to proclaim it very shortly. We're working with communities in terms of developing the regulations. That's our role and that's how we're going to succeed in developing this industry.

**Mr. Stewart:** — Thank you, Mr. Minister. Mr. Chair, I believe that's all the questions we have in Industry and Resources estimates at this time. I'd like to thank the minister for his answers and particularly the officials for helping us out this evening.

**Hon. Mr. Lautermilch:** — Mr. Chairman, I'd like to take the opportunity as well to thank my officials and members of the opposition for their most enlightened questions.

Subvote (IR01) agreed to.

Subvotes (IR02), (IR07), (IR04), (IR05), (IR06), (IR03), (IR13), (IR08), (IR09), (IR10), (IR11), (IR14), (IR12) agreed to.

**General Revenue Fund  
Lending and Investing Activities  
Industry and Resources  
Vote 171**

Subvote (IR01) agreed to.

**Saskatchewan Opportunities Corporation  
Vote 154**

Vote 154 — Statutory.

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

Subvote (EC07) agreed to.

Vote 23 agreed to.

Vote 171 agreed to.

Vote 45 agreed to

(19:15)

**General Revenue Fund  
Environment  
Vote 26**

**Subvote (ER01)**

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

**Hon. Mr. Belanger:** — Thank you very much, we have a whole pile of officials this morning. Right to my immediate left we have Dave Phillips, who's the assistant deputy minister of operations. To my right is Terry Scott, the deputy minister. To my further right is Bob Ruggles, assistant deputy minister of programs. Directly behind our deputy minister is Donna Johnson, assistant executive director for corporate services. And further back we have Art Jones, communication services; Ron Zukowsky, executive director of policy and assessment; Don MacAulay, director of parks and special places; Ross Barclay, manager of the program development unit of sustainable land management; Sam Ferris, manager of drinking water quality, environmental protection; Kevin Callele, manager of the allocation units, fish and wildlife; and Tim Kealey, senior manager and strategic planning of fire management and forest protection services.

Thank you.

**Mr. Kwiatkowski:** — Thank you, Mr. Chair. Good afternoon, Mr. Minister, and welcome to your officials.

Mr. Minister, I understand that your department has commissioned a report on replacement of firefighting aircraft in the province. I understand that this report has been a while in the making and that you and your officials thought perhaps that it would be ready for your department or for yourself, I believe, to receive by the end of last month. Could you please indicate if

that is in fact accurate, and if not at what stage are you at with report, and when can we expect to see it finalized?

**Hon. Mr. Belanger:** — Thank you very much for the question. What — as you probably are aware — we're trying to do is we're trying to recognize some of the hard work being done by the fire suppression crews in the province. And one of the things that they've often asked us, of course, is continual training — having more staff members and having more resources and certainly having more abilities to fight fire by having more modern equipment.

So right now one of the things we're looking at is not only a provincial plan but a national plan being led by the province of Saskatchewan to try and propose a scenario where we're having all these aspects being looked at because every province grapples at forest fire challenges every year. And Saskatchewan is preparing some kind of response that would have us, of course, be a participant in the national plan but to also lead the national effort by doing our own part here in the province.

So right now CIC has been doing most of the work. They have the report now. They're the ones that hired the consultant, and they're putting all the information together for proposal to the minister, I would assume first of all, and then certainly going to cabinet and Treasury Board and that process as well.

**Mr. Kwiatkowski:** — Thank you, Mr. Minister, Mr. Chair. Mr. Minister, could you indicate who it is that CIC contracted to do the consulting work in this particular instance? Do you have any idea of what the cost of this report will be and will it be released to the public?

**Hon. Mr. Belanger:** — Well first of all, I think it's very important that we recognize that the CIC minister will answer those particular questions. We're heavily involved, of course fighting fires, and we advise CIC as to what type of aircraft that would work very best, you know, for some of the conditions that Saskatchewan forest fires do present to us. So the specifics as to who the consultant is and what the costs are, that would be an answer that I would defer to the Minister of CIC.

**Mr. Kwiatkowski:** — Thank you, Mr. Chair. Mr. Minister, could you at least indicate what the terms of reference were for the consultant in terms of developing the report?

**Hon. Mr. Belanger:** — Mr. Chairman, the answer is no; I can't.

**Mr. Kwiatkowski:** — Thank you, Mr. Chair. Mr. Minister, along with looking at proposals to replace some of the aging firefighting fleet, there are also a number of other alternatives out there that I know that your department has discussed with organizations such as the Saskatchewan Aerial Applicators Association and different options that could perhaps be implemented by the government.

Along the lines of the SEAT program, the single engine air tanker program, I know that there were some discussions, I believe, right around the beginning of last month. Could you indicate where the department is at in terms of looking at the single engine air tanker program?

**Hon. Mr. Belanger:** — What I'd point out is that we did have the opportunity to meet with the Aerial Applicators Association, and they gave us a video, and they certainly showed us what they're able to do and what their capabilities were. And certainly a lot of very valuable information was certainly shared at that meeting. And I would point out that, as part of the ongoing analysis in the proposal that we're speaking about today, that their information and certainly their abilities are incorporated in the report, and the review of their role also will be evaluated as part of this report. And so they will be intimately involved with the process. And again I don't have all those details yet in front of me, but certainly their aspirations and their wish to be part of the process will certainly be undertaken, and the respect will be afforded to their industry.

**Mr. Kwiatkowski:** — Thank you, Mr. Minister, Mr. Chair. Mr. Minister, I believe all of the fire towers in the province last year were condemned. If that's incorrect, you can correct me on that. But has this resulted in any increased aerial surveillance costs? Are there other costs now that we're having to absorb because of the non-functional fire towers?

**Hon. Mr. Belanger:** — Yes, I can also concur today with your statement that most of the fire towers we had, 50 out of 51 were condemned. And so therefore what our plan is, is obviously we needed to be able to monitor the forests and surveillance from the aircraft was certainly one of the best options available. And what our plans are is to try, as part of this whole process of evaluating the best way in which to fight fires, is to try and see the balance between aerial surveillance of the forests, if you will, versus the tower option.

So that's we're doing right now is to evaluate which is more effective. In fact we're looking now at putting six towers back into commission next year and trying to have a mix and a blend of both aerial surveillance and also using the towers to see what is the more effective way of monitoring the forest for fires.

I would point out that, you know, there is incremental cost to using aircraft as opposed to towers but then again the aircraft certainly is able to respond very quickly. So there's all kinds of value in both of the options available to detect for forest fires. And because of the process we're under now, we're trying to see which is the best way to mix and match both avenues to be an effective team to make sure that fires are being fought properly, and certainly to get advance warning a fire has been started.

**Mr. Kwiatkowski:** — Thank you, Mr. Minister, Mr. Chair. Mr. Minister, why were the fire towers condemned in the first place? What would the cost of refurbishing them in their entirety be? And what is your expectation . . . what is happening with the personnel who staffed these towers?

**Hon. Mr. Belanger:** — Well first of all I can tell you that the towers were fairly old. They are 40 or 50 years old. They're built to standards at that time. And of course as time moves forward the standards get better and the information gets better.

And we did have a problem with one of the towers and we certainly wanted to find out what the shape of the other towers were. And it was basically through occupational health and safety that we wanted to make sure what the conditions of the

towers were. So those were some of the plans to do the evaluation of all the towers.

And we hired two engineers, two engineering firms to do a thorough assessment of the towers. And we found that 50 of them had problems. One was fine. But all 50 of them, there was some problems with them. So we didn't want to take any further chances and that's one of the reasons why we decommissioned them.

(19:30)

I think it's important to point out that the employees were all offered the retirement option. Many of them were offered further training for other employment within SERM. Some of them were involved with the air surveillance options. Others were a part of the initial attack teams that were put in place.

So they have all either been given a retirement package, or they have been incorporated in SERM's other aspects of forest firefighting. So they have been taken care of as well.

And the cost for the replacement of some of these fire towers can vary a fairly significant amount because, as you know, some places, you know, they're a long ways away from highways and a long ways away from communities, and the cost of transporting supplies to rebuild those towers does get expensive. So I would guesstimate about \$5 million to replace the towers, and that's a fairly rough guesstimate. Again, the costs are varied, and that's one of the reasons why we're trying to do the analysis of whether a tower surveillance system would work as opposed to surveillance from an aircraft. And these are some of the things that we're experimenting with and certainly trying to figure out.

**Mr. Kwiatkowski:** — Thank you, Mr. Minister. Mr. Chair, one of the combinations that you refer to there, that a lot of other jurisdictions seem to have some luck with, is that of a certain amount of air surveillance with the single engine air tanker program. And I believe in other jurisdictions, including Spain, a lot of the ag aircraft are actually patrolling loaded. So not only have they got the surveillance capability, but they also have some initial suppression capability as well.

Is that an option that you would be looking at . . . is perhaps folding something like the single engine air tanker program into what was formally all handled through tower surveillance?

**Hon. Mr. Belanger:** — As we mentioned earlier, certainly looking at all the different aspects of what the planes are able to offer us.

The bottom line that we're concerned about is to have an effective forest firefighting team. And certainly, the single engines airplanes that you're speaking about, their aspiration to be a part of the team is certainly going to be incorporated in the final analysis by CIC.

**Mr. Kwiatkowski:** — Thank you, Mr. Chair. Mr. Minister, just very quickly, I would like to clarify going back to our discussion of the report that you are anticipating receiving from CIC. What kind of input did your department have into the development of that report into suggesting what it is that your

department would require, and when do you expect to yourself receive a copy of this report?

**Hon. Mr. Belanger:** — One of the things that . . . The primary focus that we undertook in this whole effort was to try and look at the aircraft needs. That's where the consultant certainly sat down with us and we explained what exactly is required from the aircraft that we would need to be a very effective forest firefighting force.

As well, the person that was doing the work also evaluated somewhat the proficiency of SERM in terms of how quick they're able to respond to a fire situation and they've done the analysis of that as well. So, however, the primary focus really of the consultant was to see what kind of aircraft we needed for the fires that we're fighting. And I anticipate that document to be received by me within the next two or three or four months. And there's quite a bit of work going on now so we don't anticipate that to be here for another three or four months at the earliest.

**Mr. Kwiatkowski:** — Thank you, Mr. Chair. Mr. Minister, this morning you may have heard on CBC an interview with a farmer in my area that was quite concerned about what he felt was perhaps a little heavy-handed treatment on the part of Saskatchewan Environment and Resource Management in terms of his ability to be able to go out and do some initial attack on a fire that was threatening his property. Now I know your response to that is that, you know, we do need professional firefighters out there. We do need people who know what they're doing in those kinds of situations and we certainly don't need to be endangering anyone's lives.

However, in talking to a former department employee this morning, I understand that in 1992 there was actually — and this employee actually was the individual that made the proposal — a proposal to your department that perhaps what Saskatchewan Environment and Resource Management should be doing is that they should be going out and perhaps helping farmers with controlled burns — okay? — thereby giving their firefighters some experience helping farmers do some of the things that they need done, but at the same time the farmers would get that necessary four days of training that you referred to.

And therefore what you would have is a very cooperative kind of effort on the part of the department, the landowners, and for all intents and purposes, you'd have this huge pool of trained people that could then go out and do initial attack on a fire.

Why was that suggestion, that proposal, why was that never followed up on? And why is the expertise of people, like the gentleman who was interviewed this morning, why is that being ignored? And why is that in his case being actually . . . I guess sort of refused to the point where he found it somewhat insulting?

**Hon. Mr. Belanger:** — Thank you very much for the question. That was a very good question in the sense that we often get the question that we . . . that how could we help. Obviously Saskatchewan people want to help you and be part of the solution, and we accept that.

But what I would point out is that there is a lot of people that have taken training over the years, and one of the reasons why we get people trained is so that they know that they're going to get, if they're in the bush, they recognize some of the — or in a fire situation — they recognize some of the danger signs and that they're able to respond very quickly.

I would point out one of the things that is very clear here is that any time you get people involved with a fire situation, you'll find that there is a lot of times it seems there is a lot of confusion — there is people all over the place, there is aircraft, there is ground crews, there is helicopters or choppers all over the place. So there is a lot of confusion if you were to look at the fire scene as it is.

However, behind that apparent or the perceived confusion is actually a game plan. And one of the things we want to make sure of in SERM is that we account for every man, that we account for the equipment, and that we take into account that we have to protect lives and communities and so on and so forth. So really, there is a coordination issue as well.

So one of the reasons why we sometimes don't take the offer of local people to help is purely for training purposes and also for the safety of their lives. Many times, as you can appreciate, people want to stay back and fight fires to save their homes. Well what they don't know and what I don't know is the behaviour of fires, and many professionals within SERM do. So when they make a decision, it is foremost in their mind is to stop somebody from being burned to death or losing a staff member.

So if we don't let our staff members fight fires under certain conditions, then why would we also allow volunteers to be in that predicament. So that's one of the reasons why on occasion you'll find out that SERM does say: look, listen, we appreciate your help, but really your life is in danger here. We can't have you here, so we have to deny you access. It's not anything else but the protection of life that we're concerned about.

And that's one of the reasons why I'm assuming at this time, without the particulars of the details of the individual they're talking about, why he wasn't asked to volunteer his services to fight fires.

What we do is, as you know, is most of our activities in northern Saskatchewan . . . SERM takes a great amount of effort into training people to fight the fires of the North because that's where the primary forest areas are. And they take a lot of training. So you know that obviously is very key to us, is to have trained individuals to fight fire. So that's one of the reasons why volunteers, while very much appreciated, paramount to us is the protection of that individual — whether he's one of our guys or one of the volunteers — to make sure that we don't lose a life. And that's all it purely, simply is.

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

**Hon. Mr. Sonntag:** — With leave to introduce guests, Mr. Chair.

Leave granted.

## INTRODUCTION OF GUESTS

**Hon. Mr. Sonntag:** — Thank you very much, Mr. Chair. And thank you very much to the members of the Assembly for giving me leave.

I want to introduce some of my family here with us this evening in the Speaker's gallery. By special request, I've not been given request to introduce the adults. You'll recognize one of them as my wife, two of them are my sisters, and the other one is my brother-in-law. But by name, the children I'd like to introduce first of all are my son, Mayson, and our daughter, Meika. And also with them are their cousins this evening, John and Kira Paisley. And they're down here visiting in Regina, and I'd ask all members to please join me in welcoming them here to the Assembly tonight.

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

## COMMITTEE OF FINANCE

### General Revenue Fund

### Environment

### Vote 26

#### Subvote (ER01)

**Mr. Kwiatkowski:** — Mr. Minister, I think no one's going to quarrel with you in terms of putting someone in harm's way.

But in talking to this former Environment Resource Management employee this morning — the person who actually submitted this proposal to your department in 1992 — he simply suggested that there was a way that you could provide training to landowners in some of these areas that are more prone to forest fire, and that in effect they would be qualified to go in and at least be able to do initial attack.

Now that would, Mr. Minister, appear to me to be something that I think the department should be interested in doing. They would expand your firefighting force by a vast number of individuals fairly quickly, and it would provide that co-operative working relationship at the local level between the department and the landowner. And I guess the question just simply, Mr. Minister, is why was this proposal never given any serious attention, and what is to preclude you from looking at it now?

(19:45)

**Hon. Mr. Belanger:** — Well first of all I would say that in terms of us training some of the landowners that wish to be trained, obviously the answer is yes, we would be prepared to do that. And of course if there's a large scale training component that's necessary that may take some time, certainly we'll look at those options.

However I'll point out that while we can train them to be the initial front-line volunteer firefighter that is trained, they still have got to part of a team. They've still got to know what is required of other team members and that's why the initial attack concept is very effective. It's a team of people that go into an area and they know exactly what they have to do, their roles and

responsibilities, and so on and so forth.

So it's much similar to a fire department in a city or a town. Each of the people know what they've got to do, they each have a skill, they each have a background, and they each are trained in certain situations. So you want to get a guy off the street to be able to be trained as part of the fire department in your local community, then he has to know what other people are capable of doing, he has to know what the dangers are, he has to know what the processes are, and in this case he may . . . it may take him some time to understand all of that.

So while we appreciate in the analogy of them using of a local fire department, we appreciate that same volunteerism out there in a forest fire situation. They can be well trained to fight fires but they've also got to be part of a team. So there's always two ways to look at the forest fire situation.

And often I've told people that we get hundreds of ideas that come our way. And I'm not familiar with the report that you speak about, but we get hundreds of ideas that people that tell us get some more fire towers in place, get some more aircraft in place, get some more of this, get some more of that, do this, do that.

Like it's very important that we incorporate some of those concepts into the way we are trying to make sure we are effective, but by the same token, a lot of that advice costs a significant amount of money. So we've got to balance that off with the resources we have and with the proven technology and with the safety aspects to have a comprehensive forest firefighting strategy that promotes the protection of life in communities as being the foremost concern.

So that's kind of what we're working towards, and hopefully one of these days that the resources will be there that we're able to have more aircraft, we're able to have more forest firefighters, that we're able to have more trained people on the ground and that volunteer core that you speak about being part of the solution. We always constantly strive to achieve that. But that takes time and it certainly takes money, and we'll always again try and push for that but these things take time.

**Mr. Kwiatkowski:** — Thank you, Mr. Chair, and Mr. Minister. Well you and I both come from areas where I think we both realize that the people who have lived in the forested areas all their lives probably know it better than anyone else. And I think we would both be doing ourselves and everyone else a great disservice if we didn't recognize their expertise and their ability to be able to assist in terms of protecting and preserving those forests and their communities.

But, Mr. Minister, I would like to move on just for a moment. We've discussed at length the situation with the cost sharing of the firefighting costs in communities across the province. Now once again, I think a lot of this discussion was initiated by the Premier when he suggested that there were some costs that could be shared in the community of Nipawin, and subsequent to that there were many other municipalities and ultimately the Saskatchewan Association of Rural Municipalities itself that, given the amount of money that some of these municipalities have had to spend on forest firefighting this year, were hoping that the province would be able to provide them with some

assistance.

You have on numerous occasions indicated that a committee will now be struck to determine a resolution to this entire issue. Could you please indicate, Mr. Minister, what the terms of reference will be for that committee, who the members of the committee will be, and what the committee's reporting requirements will be?

**Hon. Mr. Belanger:** — Thank you very much for the question. As you know, we have been subjected to a number of letters and correspondence from SARM (Saskatchewan Association of Rural Municipalities) about this whole issue. The views of SARM are very well known in the sense of what they want from the province.

And certainly when we're evaluating what we want to do to help the RMs and some of the villages and towns that have had challenges, is we also want to make sure that we encourage the responsibility on their part as well.

As the Premier has indicated, he's made a commitment and there's no question about that, that this government will meet that commitment. We are going to be proposing, as I mentioned to the media on Friday, various options for the cabinet to consider, and we hope that process would be wrapped up within the next several weeks.

And I would point out that when we talk about responsibility on the RMs' part, really it teaches us a lesson as to what we can expect because, first of all, they're absolutely right. It's been a very tough fire year, and we want to sympathize with the many people that lost cabins or properties, or many of the RMs and the villages that have been impacted and adversely affected. There's quite a significant loss that many people felt.

So I think it's important that we sympathize with that first and to recognize that they're going through some very tough times.

And the second thing is to also recognize that in the case of a few RMs, which areas that I have toured or the Premier has went to, we were both pretty amazed at the level of co-operation different RMs and villages afforded each other. So that was also very indicative of the Saskatchewan spirit that we often speak about in this Assembly, and how communities are coming together to fight a common enemy. In this instance, it was the forest fire, or forest fires that threatened their communities.

So in recognition of those facts, as I mentioned before, we also want to put forward a proposal that addresses some of the RM challenges.

And when you mentioned you came from a forestry or northern Saskatchewan background, living in a community next to the forest, absolutely there are many things that the communities should do and many of the things that the RMs should do to help alleviate the potential of loss. And some of the things, like public awareness, educating the public, perhaps putting in or building a fireguard, perhaps training their fire department on a constant basis, perhaps buying better equipment to fight fires, perhaps looking at upgrading their EMO (Emergency Measures Organization) plans. But all these things that RMs and villages and towns, we constantly encourage them to continue doing

their work, and that's what we mean when we talk about them doing their part and us doing our part. It's always a two-way street to make sure that we again coordinate and collaborate to fight a common enemy.

So these are some of the things that we're working our way towards. The committee of course consists right now of various people within the government that's making a proposal, based on the fact that the Premier made this commitment and the RMs have been mentioning that they wanted his help.

And as I mentioned before, the first rule, we respond by fighting fires, we empathize with those people that had a lot of loss, and the third thing is to put a plan of action in place to alleviate and to assist these communities in some of the challenges that they face in rebuilding their communities and certainly protecting them in the future.

**Mr. Kwiatkowski:** — Thank you, Mr. Chair. Mr. Minister, just a couple other things I'd like you to give some thought to because you still did not indicate the . . . who would be represented on that committee, what the terms of reference of that committee would be.

If you could at least give an indication as to when you might be able to provide us with the terms of reference for the committee, when you might be able to indicate who will be represented on the committee, whether the committee will be strictly an internal exercise or whether there will be representation from outside groups and agencies such as SARM and SUMA (Saskatchewan Urban Municipalities Association), and if you could at least give us an indication as to when you might be able to provide us with those answers.

**Hon. Mr. Belanger:** — Well I guess this would be a specific . . . the terms of reference is to determine, of this committee, is determining what we're going to assist the different RMs and the villages and the towns that may be affected around the forestry areas, to try and find a way to assist them, and how we're going to assist them financially in covering some of these firefighting costs that they incurred. So that's the only term of reference we have for this committee.

And government affairs, SERM, as well as Public Safety and Corrections are the three departments that are leading the consultation and are preparing a documentation for presentation to cabinet. And as I mentioned, once cabinet has had the opportunity to look at this — we're fully aware of what SARM is anticipating and hoping for — and that proposal will be forwarded to cabinet, and we should have an answer within the next couple of weeks as to what the province is prepared to do to assist these communities in meeting some of these costs.

**Mr. Kwiatkowski:** — I will be following up with a number of questions on tree stands and baiting very shortly, but in the interim I would like to relinquish the floor to my colleague, the hon. member from Saltcoats.

**Mr. Bjornerud:** — Thank you, Mr. Chair, and welcome to your officials, Mr. Minister. A couple of issues I'd like to ask you some questions on tonight, Mr. Minister, and starting with the legal action that your department initiated and followed through with, took the RM of Churchbridge to court. Can you

tell me, Mr. Minister, what the cost was to the taxpayers of the province to take that action now that that court case is over?

**Hon. Mr. Belanger:** — Thank you very much, Mr. Chairman. I would point out that we don't have the costs within SERM. Those costs would come under Justice and we'll undertake to have that information to you as soon as possible.

**Mr. Bjornerud:** — Well thank you, Mr. Minister, because I think as you're well aware, here we are we're dealing with locally elected officials, elected by the people of, in this case, the RM of Churchbridge. I think what we've done by taking these people to court to start with has hurt the municipal election process dramatically because who in their right mind would want to run for elected office when we have the luxury of the present-day government taking us to court for decisions we made on behalf of our people?

And from what I can see, it being in my constituency, majority of the people out there, a large majority of the people, were in favour of what these people were doing in cleaning out these ditches.

Mr. Minister, you yourself, as a past mayor of a community, I think know how hard it is to get officials to run for these positions. And when the chance of this . . . In this case I believe you took the RM of Churchbridge to court but also the reeve of that RM was named and others and found guilty because the legislations in place that would do that.

But, Mr. Minister, how can you possibly justify taking people that are elected by local people and overruling that and saying, we know better in here than the local officials who are front and centre out there answerable to the people every day of the week where we aren't always that close to the people? How can you, your department, take them to court and say you don't know what you're doing, we know better, we're going to overrule you?

And in fact in this case I believe it cost the RM of Churchbridge — and this is an approximate figure — but I believe anywhere from about 150 to \$200,000, something that also the local taxpayers now have to pick up, pay for when times are hard on the farm.

How do you respond to those people out there, Mr. Minister?

(20:00)

**Hon. Mr. Belanger:** — Thank you for the question. I would first of all point out that it's very important that we point . . . that I make the observation that as a government, and as a province, or as a provincial minister, and certainly as a former mayor, it doesn't give anybody any pleasure having to charge a local citizen or a Saskatchewan citizen. There is no joy in doing any of that.

It is often nice, you know, that we undertake to try and work with as many committees and different interest groups to resolve some of these issues before they get to courts and that's always an option.

And sometimes, I think, what we let slip by some of the good

work that was done in a number of other areas. For example, we talk about the newly created Watershed Authority where we begin to work with some of the watershed authorities or some of the watershed systems in the province and to begin to address the water needs.

And certainly, all the water that flows into this particular watershed, some of those needs and some of those challenges would be incorporated with the planning area of some of these watershed authorities. And I think that's going to have a dramatic positive effect in the manner in which we communicate with people.

And secondly, we're also working, as you probably may be aware, with a paid easement pilot project where we'd look at what the land would generate for the farmer and negotiate with him to have an easement on that property to protect the integrity of the . . . of the ecological system that's in place there, so that we don't have a negative effect on the environment as a whole.

So you look at the watershed authority planning. You look at the fact that we may . . . this paid easement pilot project, the fact there's never any joy in prosecuting fellow Saskatchewan people. You throw all that extra effort that we're undertaken here and, at the end of the day, as tough as it may seem, legislatively, we do have the duty to make sure we protect the environment.

It's always a very tough job to do and there are times where we have to go down the road towards prosecution. And certainly the prosecutor determines, given all the evidence and the facts, as to whether some of these people would be charged. And unfortunately, in this world of governance, there is that occasion that we have to and it does not mean that there's joy on this side. I just say it's a very tough job to do and . . . but we have to do it.

**Mr. Bjornerud:** — Well thank you, Mr. Minister, for your response. But, Mr. Minister, to take such action someone has to make that decision to proceed with this and go to the prosecutor and say, we think we have a case here; we're going on. And I can't see no one else but the department or SERM themselves that actually initiated this, Mr. Minister.

Mr. Minister, my side of the province has had a problem with your government for a number of years now. We go back to the Langenburg east C&D and I think we got the Smith Creek one now. There was drainage set up on that side of the province, Mr. Minister, and it was well organized. We worked right along the side of the Assiniboia River, which runs partly through my constituency into Manitoba and then down through Manitoba. This was a very organized, well-planned drainage system that we had over there.

Mr. Minister, I had the opportunity to see what that area looked like after 7 inches of rain in a couple of hours did to the farm land out there. And in most cases in the province of Saskatchewan, probably we could do very little about it.

On my side of the province, we have an easy out. A well-organized drainage system that once again the powers to be came along and put a stop to it, and initiated the Assiniboia Valley study. And where are we today? We're no further ahead

then we were 10 years ago, 8 years ago, 6 years ago. And the farmers are still paying the price over there.

You put all your inputs into that land in the spring and one big rain comes and wipes out . . . I saw sections of land that were probably 90 per cent under water. Had we have followed along with and assisted in these drainage systems into the Assiniboia River, well organized with gates so it wasn't all one big splash — same in the spring of the year, Mr. Minister — we could have made most people out there happy.

I understand, and you know as well as I do, there was a few that didn't want this to happen. But the majority of the people — a large majority of the farmers out there — were well intentioned and put dollars into this, Mr. Minister. So, Mr. Minister, once again these same people have no trust in your government.

We also go further. Ducks Unlimited right now have been out in my area and bought about 16,000 acres — idled that land. That does nothing to help our small communities out there.

And I know that's not under your jurisdiction, but I'm trying to explain to you why the people on the east side of the province are fed up with government intervention into their lives, and yet the farmer's left out there to pay the tab. He pays taxes on this land, and part of the time a good part of it's under water. And big father government comes along and said, oh you're not draining that anywhere, it's not going anywhere; it's your responsibility because we've got to protect the environment.

Mr. Minister, at some point somebody has to stand up and be counted here. If you're going to set the rules, then you have to be there for these people. Someone has to pay and it shouldn't always be the local farmer.

Mr. Minister, you did the Assiniboia Valley basin study. Where are we with that, Mr. Minister? Nothing seems to have changed out there. I was told a couple of years ago the study was on so everything was in limbo. Well now that's over, I believe. Where are we now? Are we going to be able to proceed with our drainage or are we still stuck in the same old mudhole that those farmers have been stuck in for the last 10 years?

**Hon. Mr. Belanger:** — Thank you very much for the question. I think one of the reasons we stand here today and talk about some of the challenges is to make sure that we afford awareness to both sides of the issues, and certainly we anticipate and we accept the roles that opposition and government must play.

The riparian lands that we're talking about here are wetlands that really purify the water for the Assiniboia watershed area. And one of the reasons why we have legislative Acts is to protect source water. That's one of the reasons why we pass certain Acts and certain rules and regulations in SERM.

And when you point out that, you know, we've been trying to do this and this is what you guys done and big, bad government is doing this to the poor people in our area, well my argument would be is, that I've said from day one, is that there is no joy in us charging people in the province of Saskatchewan. But you're absolutely right in the sense that SERM collects all the data, SERM collects all the evidence, SERM has a legislative Act that they have to follow. And that's where of course Justice

then takes all that information and proceeds to prosecute people.

Now one of the reasons why we have a court system is to analyze what you have made reference to as the big, bad government or father government telling local communities what they can or can't do. And it's up to the provincial court system to determine who is correct and who isn't correct, and it's not up to us to set the court system in place. The court is a neutral entity and they will decide whether party A or party B is right, based on the evidence and based on the Act and based on the issue at hand.

So I think one of the things that we want to point out is that this has nothing to do with politics. It has everything to do with environmental protection and has nothing to do with control. It has everything to do with the courts determining who is correct and who isn't correct. It has nothing to do with joy of charging Saskatchewan people because we've said unequivocally time and time again, there is no joy in doing that. So I think clearly those are the three points I would make.

And the final question you had about the upper Assiniboia study, I understand that Manitoba and Saskatchewan and the federal government will be bringing down a report this year as to their final conclusions and recommendations. And one of the primary focus of that document will really be to study the downstream effects of some of the activities of this particular area that is quite sensitive. That we'll be looking at and certainly trying to determine the best and the fairest case that would be possible to incorporate what the local challenges are, but certainly as well, to look at the environmental protection that is needed of this very important area that really protects the water source as it drains into the Assiniboia system. Thanks.

**Mr. Bjornerud:** — Thank you, Mr. Minister. But Mr. Minister, I think if you'll look back in the last few years, what courts deal with is legislation. Legislation is brought in by governments. This piece of legislation was brought in by your government. In fact, I think the former member from Rosetown, Mr. Wiens, brought this legislation in. And I would suggest that you stretch that legislation to the limit to even be able to take these people to court in the first place just to prove and push an agenda that you have.

Mr. Minister, I agree with you; we have to look after the environment. But we also have to look after the people that are out there that live on that land. And I would suggest that these people have been looking after that environment. They've been looking after wildlife for years out there feeding them free for everyone in this province to enjoy.

And when this, something like this happens, I think it turns everybody out there against departments such as SERM. I would suggest to your department, Mr. Minister, that when the next municipal elections come along, maybe we'll call your department and you can come out and help us try and find local people to run for these offices because I'm sure after what you've done out there, it's going to be really hard to find people that will put themselves in that position for the fear they make decisions for the good of their people and they're taken to court.

Mr. Minister, I'll drop it at that point with that issue.

(20:15)

One other issue, Mr. Minister, and I know you know I've presented petitions most of the session on a problem we've had at Lake of the Prairies, and I see the minister smile and he knows what's coming.

Mr. Minister, I think you're probably well aware of what had happened at Lake of the Prairies. There was net fishing this winter. And I give you a little history on Lake of the Prairies, Mr. Minister. For the last number of years, local people — Aboriginal and white people — have worked very hard to build up what they have in a man-made lake out there, to build stocks up. They've built cabins. They've got a great tourist area for both Manitoba and Saskatchewan. And a small group of people came in and net-fished a very large amount of fish out of there, Mr. Minister.

My question to you is have you been contacted, or have you contacted — in this case, SERM — contacted the Manitoba Environment Department or the Manitoba government, for that point, because I think, Mr. Minister, it's a problem that we have on both sides of the border. Even though that the Lake of the Prairies is in Manitoba, there is a large number of Saskatchewan residents who have a large amount of money invested in there, Mr. Minister, and I think it adds to tourism for Saskatchewan. That lake that's there, it's a beautiful spot, a lot of money sunk into there, and it may be ruined if we let things like this continue to happen, Mr. Minister.

Have you had contact with Manitoba, and if you have, what kind of information can you give me tonight?

**Hon. Mr. Belanger:** — Thank you very much for the question. I think one of the most important things that we have always maintained within SERM is that conservation is something that is key to the reason why we're here. And many of the First Nations and the Métis communities and the non-Aboriginal communities as a whole, one of the common threads that bring us all together is the whole issue of conservation. And we've maintained that in order for us to all be part of the solution we've got to be part of the team that works on that solution. And without having an Aboriginal component in the partnership and a role to play in the conservation then would be doing each other injustice in the province of Saskatchewan, both from the First Nations or the Aboriginal community to the non-Aboriginal community if we don't collaborate.

Now, in this instance I did get a letter from the Manitoba minister indicating that — and he's a First Nations' minister — indicating that he appreciates the fact that conversation has to happen. We've collaborated on this whole Lake of the Prairies matter. I understand that it was Manitoba First Nations that were involved with this commercial fishing exercise. We've collaborated with FSIN, we've cooperated with some of the Indian bands in the area. And certainly I think a lot of people can appreciate out there that the resource and the sustenance of that resource is so very important as long as we're all adding to the premise of conservation, all the while respecting things like treaty rights, respecting that there is some opportunity for tourism opportunities for people.

And if we look at both those opportunities and we manage the



resource well then you can see that this could be a well-developed partnership between the First Nations and the non-First Nations collectively working towards benefiting from the resource that is managed well.

That is our primary position and function and role. And we continue elaborating that with many of the people that we deal with. And in this instance I think you're finding that both the Manitoba and the Saskatchewan government, who have ministers that are Aboriginals, saying look this is not something that we want to encourage. Sustenance is important as well as conservation so let us continue working on a path of educating people and discharging this kind of activity.

And that's exactly what we've done in Lake of the Prairies and we often encourage people to bring in the Aboriginal communities to deal with some of the conservation challenges and to keep outside of the tent, if you will, the politics of the day because that doesn't do anybody any good. Thanks.

**Mr. Bjornerud:** — Thank you, Mr. Minister. And I'm glad to hear that answer. Mr. Minister, I think we are fully aware that this doesn't just hurt the white population, it hurts the Aboriginal community because they fish there on a regular basis, they have cabins there, they are partners in, I think, when the man-made lake was built. So it actually hurts that community as well.

And we talked, Mr. Minister . . . you talked about sustenance. I think if that had have been the case here, that that's all they were talking out, I don't think there was a problem; because the treaties we know have to be honoured, and they're part of the treaties.

But in this case I think the estimates were anywhere from 50,000 to 90,000 pounds earlier in the winter and the net fishing continued, Mr. Minister. So I think you can understand why the concern was there.

So I'm glad to hear that you have talked to the Manitoba government and are working or at least talking about the problem that we have out there.

So thank you for your answers, Mr. Minister.

**Mr. Brkich:** — Thank you, Mr. Chairman. My question deals with Last Mountain Lake. A month, or probably longer than that, there was fish taken out of there, dead fish that were to be sent to be tested to find out what had caused them to . . . were they diseased or whether it was chemical. Has their test results come back yet?

**Hon. Mr. Belanger:** — I can point out that the fish samples were dropped off at the College of Vet Medicine and that the results as of last Friday, we still have not received them, and we are patiently waiting for the results. But once they are here then we'll, as I mentioned, then we'll share the results.

**Mr. Brkich:** — Thank you, Mr. Minister. Isn't that an exceptionally long time, especially dealing with this? It's been in the press for I think it's been a number of months, in question period. You think you would want these tests. I've had people basically come to me accusing the government of hiding this

just until session is done.

It's an issue that you should be bringing forward, with the amount . . . especially with what happened there with the fishing derby — only 277 fish caught this year when last year there was 1,500. You had a meeting there of over 300 people that were concerned. Every week there's more dead fish showing up.

And my question to you, what is taking so long?

**Hon. Mr. Belanger:** — Well first of all, for political purposes, it may seem to take so long. You know, one of the things I think is very important that's been unfair in this whole process is we've said we'll get the fish that people have collected and we'll sample the fish and we will share the results of those tests with the public when the time arrives for us to get the results back. And the reason why I told you where we dropped off the fish so that you could check with them on the date that they're dropped off and you can personally check to see why they're taking so long. Now on one sense we said we would share the information when we got the information.

Now one of the things I think is very important when you talk about Last Mountain Lake water — that member, Mr. Chairman, in that opposition, had been on a constant basis attacking the city here and saying Regina is dumping raw sewage into Wascana Creek. They've used an untreated sewage and raw sewage wording on a constant basis and that's absolutely not fair. And by way of these estimates I'm going to send a copy of these estimates over to Mayor Fiacco and I'll get Mayor Fiacco to very clearly explain to you, sir, exactly what they do with their effluent, how they treat it. The city of Regina has very high standards. They have professional staff in their effluent treatment place that make sure that they follow the standards, very professionally done.

Now to stand here — and again we don't mind criticism, we don't mind accountability, we don't mind a challenge to the system. All that is very proper for government to expect that of opposition. But fearmongering and not using the correct information, and actually picking up on, picking on the city of Regina and saying, you're dumping raw sewage, that has got to be the most unfair statement in the world to make without knowing all the facts.

So my point today is that the fish . . . or what you're trying to make a connection at of Regina's sewer system is poisoning the fish in Last Mountain Lake, I would say two things to you. Number one is, I would ask you to contact the mayor — and I don't think you have — to see if they can take you on a very thorough tour of their waste water facility and how they treat their water. They do not dump raw sewage into Wascana Creek, sir. That's the bottom line.

And the second thing is when you keep bringing up this issue, I don't believe it's out of concern; I believe you're on a politicized process. And what I would say furthermore, Mr. Chairman, is he has to write to every cabin owner, every cottage owner, every business person in and around Last Mountain Lake saying, I'm bringing this thing up so you guys have a right to know. And all the impact, the negative effect you're having on that community, despite the fact that we've sat here and told

you there is no dumping of raw sewage, despite the fact that we told you we're going to put a stewardship committee together to make sure that they were aware of the information, despite the fact that we've told you time and time again how they treat the effluent, despite the fact that the Last Mountain Lake quality meets the objectives we talked about for contact, recreation purposes, despite all that information, that we stand here today and we persist on knocking down that information, knocking down that industry, knocking down the city of Regina.

And what I can't understand, Mr. Chairman, is why are we going down this path. What is the purpose of this path? Is it to discredit the city, their employees? Is it to divide rural and urban Saskatchewan? Is it to bring down the values of some of these cabins and some of these business communities?

Like what is your objective here? Is it to create havoc amongst all the different community leaders in and around the city? Well if it is, I'll say your work is very effective.

Now if your work here is today is to challenge and to hold accountable some of the surface water quality standards that we have, fair enough. If your objective here is to work with the communities and alleviate some of these concerns, fair enough.

But I would say this, I would say this: if you want to do that, then contact the mayor . . . and I'm not sure that that member has. Take a little tour of their effluent treatment centre. You see exactly what they're doing, and you will find, you will find that they do not dump raw sewer into the river, Mr. Chairman. They do not dump raw sewage into the river.

And all session long, that Tory opposition has been accusing this government of trying to portray a picture of this huge pipe of sewer going into Wascana Creek and then dumping off into Last Mountain Lake. That is what his objective was, Mr. Speaker.

And again, we don't mind accountability. We don't mind challenges to standards. But what you don't want from that Tory opposition, Mr. Speaker, or Mr. Chairman, is you don't want fearmongering, political games, and misinformation.

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

**Mr. Brkich:** — Thank you, Mr. Chairman. Well, Mr. Minister, we're not attacking the city of Regina. We're attacking you, attacking this government, for them fish were in there months ago.

You want to relieve some of this? I'm the one that's getting calls, wanting to know why them fish died. There was over 300 people at that meeting, 300 people at that meeting, all asking the same question. So when was the exact date that you took them fish into tested? You'd think that if this government wanted to quell rumours, you would put a priority on that test, and the priority of them people, because them people out there just want answers. That's the only thing they're asking — is for you and that government to be accountable. And that's one thing that you haven't been on this issue.

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

(20:30)

**Hon. Mr. Belanger:** — Well, Mr. Speaker, or Mr. Chairman, I would point out again to that member and to that Tory opposition, I've said it from day one and I'll say it again, they have fearmongered, they have spread misinformation, and they're really making the people of rural Saskatchewan and urban Saskatchewan more divisive than ever.

And I'll point it out — I don't know what the objective is here — we are unrepentant in the sense that we said there's been some political games being played which is unfair. It is absolutely unfair to the city. It is absolutely unfair to all the different people that own homes around Last Mountain Lake. It is unfair to the people that have businesses around Last Mountain Lake, Mr. Speaker. It is unfair to the sport fishing industry, Mr. Speaker. It is unfair to Saskatchewan and to her people. It is unfair in every sense of the word, Mr. Speaker.

The city of Regina does not dump raw sewage, or what that member has accused this government of allowing it to happen. They never have, Mr. Speaker, and they never will. Now if we can indeed show that there's better systems in place, and they mentioned ultraviolet treatment, if that option is certainly available and the city is certainly going to look at that. They're always willing in trying to improve the system, Mr. Speaker.

But the effluent — the effluent that we're dealing with here clearly shows that it is being treated — it is being treated, Mr. Speaker, and there's ways and means and techniques, that the technique that the people that operate these waste water plant are aware of and not that member or that party. They're the ones that are aware of what needs to be done, Mr. Speaker, and they are the ones that work hand in hand with SERM to ensure that the quality objectives that we've set up nationally are being followed.

And certainly I think we should owe those guys a huge apology — and stand here today and say I apologize to the city of Regina for accusing them of dumping raw sewage into Wascana Creek; I apologize to the cabin owners around Last Mountain Lake for devaluing their property; I apologize to the business community for taking away some of the tourism opportunity around Last Mountain Lake; I apologize to Saskatchewan and to her people for fearmongering and playing silly political games.

He should stand up and he should say, Mr. Speaker, I apologize for all the harm that I have created. From now on I will simply — I will simply — ask for accountability and the standards. I will simply ask for testing. I will simply make an effort to go and see the city and to visit the mayor and take a tour of their waste water treatment plant. I will do all this to make sure that we correct the injustice that I have caused. That's what that member should do, Mr. Speaker.

**Mr. Brkich:** — Thank you, Mr. Chairman. In that long speech I didn't hear the answer to the question so I'll ask it again. When was the date that you dropped them fish off to be tested?

**Hon. Mr. Belanger:** — Mr. Chairman, I don't have the exact date with me but we will find out the exact date and we'll get that information as to when to expect the tests for that member

sometimes this week.

**Mr. Brkich:** — Thank you, Mr. Minister. One more question on the sampling there. I remember the member for North Battleford in question period had said he'd dropped a sample off, and his sample . . . and the resident was concerned about oily substance in the water. Has that sample been tested and the results from it been brought back?

**Hon. Mr. Belanger:** — Thank you very much for the question. I point out that what we found out when the minister of . . . or when the member for North Battleford brought in the sample, he brought it in in a container that wasn't . . . we don't know where the container came from.

And secondly, we're not sure where the source of the water that he, that he took his sample from. And there's a lot of factors that we weren't sure where the sample come from. So as opposed to us again allowing a politician to dictate how we do our water testing, we undertook to test the water on our own and what we told that member is we would do an assessment of what we thought the water sample that he brought in had. And we done an initial assessment of that, and based on that initial assessment, there was algae, some suspended sediment, and some pollen. And as a result of the fact that how he collected the sample, we didn't want to go any further than that, saying that we will collect our samples, and we will certainly do the sampling our way to make sure we get a good analysis and a good sample to work with.

And that again goes back to my earlier point, is that we don't know where the sample was taken from. The container that the member took the sample in may have been contaminated. There's all kinds of potential challenges that we have in the manner in which he collected the sample.

But what did that member do, Mr. Chairman? He bought the sample in and he took it to the media and showed it to the media, and said this is lake . . . water from Last Mountain Lake. And the last person to see a sample of that water was the Minister of the Environment — I was the last person to see it.

So I go back to my earlier statement. What was the objective there? Was the objective to make the whole system accountable? Was it to empower the people of Last Mountain Lake area to make sure that their water quality was there, and to make sure it was there for many years? Was the objective there to make sure they're engaged in a process, a fair process, to make sure sampling was done properly? Was the objective there to find some solutions to many of these challenges? Absolutely not. The only objective at that time was pure, petty politics.

And that's my exact point to this day. If you want to have a very thorough analysis in the manner in which we operate waste water treatment plants, in which we collect water samples from some of the lakes, then so be it. We accept that and we certainly want to see that challenge.

What we don't want, as we mentioned time and time again, is some of the petty political games that cost a tremendous amount out there in Last Mountain Lake area and many of the other lakes, many of the other rivers and streams, that may be impacted by many of the other communities as well.

So I would point out again, Mr. Speaker, is that we take the work very seriously. We're going to work with the communities; we're going to work with the people that are engaged in this; we're going to deal with the professionals; we're going to do our water samples as professionally as possible; we're going to share that information; we're going to be accountable.

And all we would ask — all that we would ask, Mr. Chairman — is that we would ask the opposition and the member of the Tory opposition to be responsible and effective in their questioning of the government and not being . . . and stop being politicians.

**Mr. Brkich:** — Thank you, Mr. Chairman. Getting back to his sample, I mean, and it may not be brought in in the right container. But did you . . . I take it from that ramble, which I'm not sure, did you go out right away and retest? And what was the sampling there? Did you test for chemicals there?

Getting back to the fish, them fish are taken in over 60 days ago. Now if there was a disease in that lake . . . and I'm not saying it comes from Regina. The people don't know. All they want is answers. So you'd think within . . . you would rush them tests before — if there is a disease in that lake coming and spreading through it — before the whole fish population dies. Or are you going to wait till they all wash up and then you're going to make it a priority?

You want to talk about us making a political about it. It's not. This is just trying to find out the facts and that's what the people want. They want to know what the test results were. They expected them test results to be done in two weeks, three weeks at the max — not over 60 days, and still maybe not even till the lake freezes up before you might even get an answer back.

**Hon. Mr. Belanger:** — Mr. Chairman, on terms of the water sampling, we've tested five different sites in some of the beach areas, the south end as well. Some of these sites were agreed upon at the public meetings. We agreed to test the water or do some water sampling every three weeks, and there has been no unexpected result as a result of some of the tests.

And I would point out that the reason why I shared with you earlier the information as to where we drop the fish off for sampling is . . . I invite you to call them and to find out what exact day we can expect them and we'll certainly share them as soon as we get them.

And I think the most important thing is that we have always since . . . or established a sense of urgency when dealing with some of these matters. So again, the fish sampling, when we get the information, we'll share it.

And what I'll point out as so very important is that the communities that we're engaged with right now, Last Mountain Lake area, they've asked to be part of the information sharing. So one of the things that's very important is we deal with them as well and that's one of the most important things.

So if we sit down here today and talk about politics all night, we can certainly do that. However, if we decide to put some

solution to this whole challenge, then let us incorporate our partners. And as you went to the public meeting, you sat there and you listened, as I sat there and listened, and we allowed the public to air their concerns. And they come forward with the resolution; that's fair enough. They want testing results. They want it done constantly and they want to be able to have that information.

Well let's take the politics out of it. Let's have the pragmatic approach be installed and have the different groups and different people involved to find out the information, to share the information, and to give us advice.

**Mr. Kwiatkowski:** — Thank you, Mr. Chair. Mr. Minister, as you are probably aware, there is a relatively large intensive livestock operation being planned for the Weekes, Porcupine Plain, and Bjorkdale areas. And I've received a number of pieces of correspondence from a gentleman by the name of Mr. Joe Homeniuk.

Mr. Homeniuk seems inclined to believe that the various guidelines with respect to ILO (intensive livestock operations) development weren't followed in this particular instance. He has some concerns about lack of appropriate consultation with some of the plans for the area to be . . . on which the waste is to be spread. He has some concerns associated with supply of water and is also concerned that there are instances where construction actually begins prior to approval. I think Mr. Homeniuk believes in some ways that perhaps the approval process is just simply a rubber stamp.

Perhaps what I could do, Mr. Minister, is I could actually have a Page take this over to you.

But if you could just respond and give some indication as to how your department has in fact monitored the project in the Weekes/Porcupine Plain area. And at what stage are all of the necessary permitting and approvals at?

(20:45)

**Hon. Mr. Belanger:** — Thank you very much. I'm not familiar with the particular case that you have made comments on. So what I'll do is I'll undertake to proceed to have all that information be sent to the personnel and they'll get back to you as to the particulars of the Weekes/Porcupine Plain project.

But overall, I would explain to you that what we normally do is when an ILO is being proposed, they will take — the proponents of the ILO — will take to Ag and Food their proposal. And Ag and Food will certainly, you know, they certainly have rules and regulations and processes that they'll have in place. And they'll certainly review what the proponent wishes to do. And I believe — and I could be corrected on this, you'll check with Ag and Food — but there is a component of public consultation that is afforded to the Ag and Food aspect of having this ILO proceed.

Now what we do from the environmental assessment branch is Ag and Food will then turn the proposal over to SERM to see from the environmental assessment process whether there are any concerns. And we'll certainly do that, our own independent analysis of this.

And we also incorporate some of the public concerns as well. Now if we're finding out that there's a whole pile of concerns being expressed in one particular project, and it's in the media, it's in the radio, and there's all kinds of . . . (inaudible) . . . information to that, of course we also take that into account to make sure that there's a very thorough process.

Next of course we also involve Sask Water because Sask Water themselves, I think, would be somewhat involved with the supply of water to this proposed ILO.

And of course, we forward all our opinions under Ag and Food . . . or sorry, under SERM and under Sask Water, we forward all our opinions over to Ag and Food and that's, of course, the final process that we'd be undertaken to determine whether the ILO would proceed or not.

And again, I think there's a mixture between the proponent having a public consultation phase on their own, and certainly I think Ag and Food may have some component of public consultation incorporated in their process, but I could be corrected on that, and that's basically how their process works.

**Mr. Kwiatkowski:** — Thank you, Mr. Minister, Mr. Chair. I think that Mr. Homeniuk would be very appreciative of you looking into all the material that I presented to you on his behalf. And if you could perhaps keep myself and the member from Kelvington-Wadena apprised of any responses that you will be making to Mr. Homeniuk, we would certainly appreciate that as well.

Mr. Minister, if I could briefly turn to the outfitting industry. Could you bring me up to speed at this point in terms of what the department's current policy on tree stands is? And could you explain how it is that the outfitting industry seems to believe that they are, for all intents and purposes, under attack here with the department insisting that all tree stands be removed over the course of the next couple of years?

So perhaps, Mr. Minister, if you could just sort of detail the policy and make it clear in terms of what the expectations are of those in the outfitting industry with respect to tree stands.

**Hon. Mr. Belanger:** — Thank you very much for the question. In reference to the tree stands, we have advised the outfitting association and the outfitting industry as a whole, as of December, 2001, that we would encourage and we would be enforcing the removal of all permanent tree stands by 2003-2004. By way of the outfitting newsletter, we've also advised them of these changes. And we're encouraging portable tree stands.

And certainly there's been a lot of advance notice, there's been good co-operation by the outfitting industry, and there's a good kind of collaborative effort in this regard. So I can point out last year, December, 2001, we gave notice that in the 2003-2004 season that we would be discouraging . . . or we would be encouraging portable tree stands and would be enforcing the fact that we don't want to see permanent tree stands as part of our natural forests.

**Mr. Kwiatkowski:** — Thank you, Mr. Chair. Mr. Minister, I think that you are underestimating the volatility of this issue. I

have been getting a large number of letters and calls from people who are really angry about having to remove the permanent tree stands.

And I guess, if you could, I would like you to provide me with a little more logic around that request. If you are going to be asking outfitters to remove permanent tree stands without any compensation, just on an arbitrary basis, how can you do that and not ask snowmobile clubs to remove their permanent signage, ask them to remove their permanent shelters? How can you ask one sector, one group, to remove something like a tree stand and yet, you know, you've got all sorts of other users of the forest, Mr. Minister, who have all sorts of permanent arrangements, if you will, in that same forest and they aren't being asked to do the same thing.

**Hon. Mr. Belanger:** — Thank you very much for the question. I think it was . . . Understandably the outfitting industry was upset with the notion that we are going to be discouraging permanent tree stands. And the logic behind that is that permanent tree stands will begin to establish a sense of ownership of a territory. And there is many resident hunters and trappers and different users of the forest that see that permanent structure as a territorial marker, if you will. And what we want to do is discourage that because obviously Saskatchewan's forests and Saskatchewan's resources and wildlife are owned by all Saskatchewan people.

So we can appreciate the fact that they're upset with this, and the reason why is because, as I mentioned before, it kind of creates this mood amongst the other users that it sets up a territorial marker for the outfitting industry. And while they were upset with it we gave the outfitting industry a lot of time to prepare for this. And again, we are strongly, strongly encouraging portable tree stands and will be again discouraging permanent tree stands.

**Mr. Kwiatkowski:** — Thank you, Mr. Minister, Mr. Chair. Well I appreciate somewhat the argument that you make, but I think that you have to appreciate the inherent unfairness in it, in that you talk about a tree stand being a territorial marker. Well I mean there are all sorts of other fixtures that everyone from snowmobile clubs to you name it have in the forest that could be looked at as territorial markers as well.

And I guess the feeling that the outfitters have here is that between this and a number of other issues is that there appears to be almost this systematic attack on their industry. And, Mr. Minister, they don't feel very supported. And I think this is perhaps more symptomatic than anything but it is one area that really has gotten their attention.

**Hon. Mr. Belanger:** — Well, as I've indicated, you know we can appreciate that they're upset with the notion of us encouraging portable tree stands. But what I would point out is that the outfitting industry itself is an exciting industry. They generate a lot of good economic wealth for the province. They generate jobs. They certainly promote Saskatchewan and its beauty and all the resources and the wildlife that we enjoy as a province.

So there's no question that we appreciate and we certainly agree with you that the merits of the outfitting industry is something

that we want to constantly encourage. And there's other concessions I think, that you're probably aware of and we often tout as well as our effort to assist the outfitting industry. They certainly have their lodges, you know, which in many cases are huge, beautiful lodges which is a credit to their industry. They have base camps that we work with them and to make sure that they have a good solid base camp in which they can provide their service.

So there's been a lot of good progress made to date and all we're just a bit concerned about is the permanent tree stands. It's, in our opinion, territorial markers. And we just feel that a lot of trappers and hunters and different interests out there really don't want to see any kind of territorial placement of northern or forest or provincial lands by any particular group, and that's one of the reasons why we've asked this concession back from the outfitting industry.

**Mr. Kwiatkowski:** — Thank you, Mr. Chair, Mr. Minister. Well I don't think that's the last that we're going to hear on that particular issue. I'm sure that the phone calls will keep coming and the letters will continue arriving.

Another policy of your department that appears to have the outfitting industry just a little upset is your new baiting policy. Could you give me an indication as to what the expectations of the department are now of the outfitting industry when it comes to baiting?

**Hon. Mr. Belanger:** — Thank you very much. I just want to, just before we get off the tree stands issue, I would point out that this is not just for the outfitting folks. It's also for the hunters, that we're encouraging them not to have permanent tree stands. And I guess I would ask for clarification from the member if he does indeed support the construction of permanent tree stands for hunters and for the outfitting industries, if he would clarify that on both those fronts?

(21:00)

In reference to the baiting regulations, a lot of people in the province didn't like the whole notion of baiting. As a minister, we found that baiting wasn't something that we should be overly concerned about. It's the position that we took in support and in concert with the outfitting industry. And about the only two things that we've asked that they not do, for that member's information, is — and these are the new rules — number one, is no person shall use as bait any noxious weeds or noxious weed seed as described in The Noxious Weeds Act, 1984 or any exotic plant as described in The Forest Resources Management Regulations, you know, as part of their bait; and furthermore, they should not use any carcass or part of a domestic animal other than domestic animal trimmings received from a butcher shop or licensed abattoir. As well the other regulation was that no persons shall feed wild ungulates between January 1 and July 31 in any year on land in the provincial forests, unoccupied Crown land, or land in provincial park or recreation site unless authorized by the director.

Now the purpose of those particular three provisions in the Act is to . . . first of all, what was happening is the outfitting industry and many other hunters as well, they were using seed to attract animals to a certain spot, and sometimes it introduces

noxious weeds to a new ecosystem in the forest land and that wasn't very good for the ecosystem as a whole.

And sometimes they'd use animal parts from, you know, from other . . . from game farming or perhaps from some of the cattle operators or from some pig farm. They may use some of the parts of that as bait. And we're saying you can't use any of that because we don't know where the meat is coming from, or whether the meat is diseased or not, so instead of getting ourselves into a whole pile of trouble, let's make a rule or regulation that you should get your . . . any scraps you use should be from a licensed butcher shop that monitors this kind of activity.

As well, one of the reasons why you're not going to allow . . . we're not going to allow feeding of some of the deer population between January 1 and July 31 is you don't want to have unnatural congregation of deer, because obviously, as an outfitter, you want to make sure you have deer in your area and so you feed them and they'll obviously come, you know, to where the food is. So that's what we're trying to discourage as well, is to have the natural migration of deer happen as it should.

And those are one of the rules and regulations that we worked alongside of the outfitting industry on to make sure that baiting occurred but baiting occurred to minimize the introduction of noxious weeds, you know, to minimize some of the domestic animal parts that might be used to make sure they don't spread disease, and of course not feed deer in a certain time frame to encourage congregation which is unnatural in many ways.

And so those are one of the reasons why we've had these rules and regulations around baiting.

**Mr. Kwiatkowski:** — Thank you, Mr. Chair. Mr. Minister, it appears that we're getting the signal here that our time is quickly coming to an end, so just very, very quickly I would like to ask two wrap-up questions, and then I believe my colleague from Last Mountain-Touchwood has a couple of questions as well.

Could you just quickly give us an update on the chronic wasting disease situation in the province, and specifically how did the sample collection program that the department started last year, how successful was that program, Mr. Minister?

**Hon. Mr. Belanger:** — Thank you very much for the question. And again trying to be the thorough minister as possible I do have that letter that I sent to the . . . or the minister of SERM . . . Manitoba sent . . . or I sent to Minister Lathlin in reference to the Lake of the Prairies and that document is here. So I'll send that over to you.

In reference to the chronic wasting disease as I can . . . as you know, we've had three deer that tested positive and these are all mule deer in the Manitou Sand Hills. And we got 3 out of 5,300 heads that came back positive and this fall we have three specific areas that we will be working on to try and do more sampling. And of course one of the areas is the Manitou Sand Hills and some of the other areas are the Paradise Hill/Hillmond area as well as the Pierceland area.

So we're going to do a little bit more sampling. But the bad news of course is we did find it in the wild. The good news is that there's 3 out of 5,300 heads that tested positive. So our effort is to try and thin the herd out, to reduce the herd, and hopefully eradicate the disease and that's always a tough work in progress.

So that's probably a best, shortest brief that I can afford on this whole issue of chronic wasting. And I'll send that letter I sent over to Mr. Kaminski in reference to overfishing on the Lake of the Prairies to the member from Saltcoats.

**Mr. Kwiatkowski:** — Thank you, Mr. Chair, and Mr. Minister, my last question for the evening. Recently there was a study conducted by a University of Calgary biologist, and I believe the gentleman's name is Dr. John Post, and there was some rather alarming findings in this study, Mr. Minister, and his conclusion was that for all intents and purposes the sports fishery is in danger of collapsing. Now his study seemed to focus on British Columbia, Alberta, and I notice on some of the maps here, it did encroach into Saskatchewan to a degree.

But the question, Mr. Minister, is have we undertaken any kind of a similar study in this province? Do we know what our fish stocks are? Do we have any idea as to how the fish will survive into the future, what numbers we will be dealing with into the future?

**Hon. Mr. Belanger:** — Thank you very much for the question. We believe, based on all of the information we got, that our game fish are healthy.

We do a number of analyses of different lakes where we sample and test different lakes to kind of get a representative sample of how the lakes look. And these of course lakes are called legacy lakes. And so we find out how these lakes operate and we use them as a model for other lakes and . . . you know, if they have similar characteristics. And we can do a lot of good guesstimates as to what the fish population is like and how we can enhance and support the fish population. We also monitor the harvest.

So these are some of the things that we do to make sure that the fish stocks stay healthy. And one of the most significant contributions I think over the last couple of years that, you know, if I may put a personal touch on this, is the fact that — well I haven't gone out fishing — but more so I think the commercial fishermen and the sport fishing industries are collaborating much better.

And as an example in Buffalo Narrows where the lake itself had some very tough challenges with the fish populations, well the commercial fishermen decided to go to winter fish only and now we're seeing that the population of that lake is coming back really good. So the commercial fishing folks are working alongside of the sport fishing industry, and as a result of that, sustenance and, certainly, opportunity and conservation are their themes. And it's working out wonderfully well.

**Mr. Hart:** — Thank you, Mr. Chair. Mr. Chair, to the minister, I would just like to revisit very briefly the whole issue of Last Mountain Lake and the reason I'm asking these questions is because constituents have brought these questions forward.

And basically your department has said that the water going into Last Mountain Lake is 14 per cent Regina-treated effluent — and I certainly agree, Mr. Minister, that Regina has a gold standard and I'm not criticizing the city of Regina — and 86 per cent of . . . the remaining 86 per cent is water from Lake Diefenbaker, Mr. Minister.

Now I'm asking over . . . (inaudible interjection) . . . Now if the member from Regina South will allow me to put my question, perhaps we can finish . . . conclude this very quickly. I'm asking over what timeframe is that ratio established? Like certainly I would imagine it would be impossible to control that ratio on a daily basis. Is it on a weekly, monthly, six months, or a yearly basis? Is that the time period when that ratio was established, Mr. Minister? The 14 per cent and the 86 per cent, is that over a year or is it six months, a month, or a week, Mr. Minister?

**Hon. Mr. Belanger:** — I can certainly report that's the worst case scenario, the 14 per cent. As the flows are better, of course the dilution is greater. So that is certainly at the worst, and it's during the winter months as well when the flow is lessened. So that is the worst-case scenario.

**Mr. Hart:** — One final question then. So, Mr. Minister, it's entirely possible during the winter months that the ratio was actually . . . of sewage treated effluent was considerably higher than 14 per cent because of the flow in the river system being down. And secondly, a second part to that question: did the city of Regina discharge more treated effluent earlier in the season, in the winter season as compared to other years, and more of it, Mr. Minister?

**Hon. Mr. Belanger:** — You might want to clarify that this is treated effluent, and the effluent at a worst-case scenario made up 14 per cent of the flows. And again, I point out that's the worst-case scenario.

**Mr. Kwiatkowski:** — Thank you, Mr. Chair. Mr. Minister, I would like to take this opportunity to thank you and thank all of your department officials. They've been most helpful, and as I indicated the other day, have demonstrated a high degree of patience with us as well. So thank you very much to them. And at this point, Mr. Chair, we have no further questions.

**Hon. Mr. Belanger:** — Thank you very much. I'd like to thank the opposition members for their questions and certainly encourage them to continue keeping accountable the processes we have in place, and to thank the member from Carrot River for his timely questions and his good questions, and to also thank the officials for being here this evening.

Thank you.

Subvote (ER01) agreed to.

Subvotes (ER02), (ER08), (ER09), (ER10), (ER03), (ER11), (ER04), (ER15), (ER05), (ER07), (ER14) agreed to.

**Supplementary Estimates  
General Revenue Fund  
Environment and Resource Management  
Vote 26**

Subvotes (ER07), (ER10) agreed to.

**General Revenue Fund  
Environment - Forest Fire Contingency Fund  
Vote 72**

**The Chair:** — This is not an amount to be voted but if there are any questions at the time that would be now to be put. Seeing none we'll move forward.

Vote 26 agreed to.

Vote 26 agreed to.

(21:15)

**General Revenue Fund  
Learning  
Vote 5**

**Subvote (LR01)**

**The Chair:** — I would invite the Minister of Learning to introduce his officials.

**Hon. Mr. Melenchuk:** — Thank you very much, Mr. Chair. Directly to my right is Mr. Ken Horsman, the associate deputy minister of Learning. To my left is Wayne McElree, assistant deputy minister of Learning. And further to my right is Mr. Don Sangster, executive director of school finance. And to my left and behind Wayne is Cal Kirby, executive director of facilities planning. Directly behind me is Mrs. Frances Bast, director, research and development, school finance; and behind me and to my right is Dr. John Biss, executive director, university services.

And behind the bar we've got Dr. Margaret Lipp, executive director, curriculum and instruction; Mr. Brady Salloum, executive director, student financial assistance; Ms. Joy Campbell, the Provincial Librarian, provincial library system; Ms. Shirley Robertson, manager of pension benefits; Ms. Anne Bellinger, benefits manager, teachers' superannuation commission; and Mr. Gord Sisson, director, financial policy and program support, corporate services.

And, Mr. Chair, those are the officials from the Department of Learning this evening.

**Ms. Draude:** — Thank you, Mr. Chair. Welcome, Mr. Minister, and to all your officials. We should be able to answer all the questions that I have tonight. We have lots of help, so I do appreciate the attendance.

Mr. Minister, I have a number of questions on a lot of different issues, and I'm going to start by talking about pensions, not that I have a lot of questions but I do think that I'd like to know about the costs in the next few years. I see that this year the cost of teachers' pensions has gone from ninety-three thousand three hundred or . . . ninety-three three eighty to one zero five three ninety-eight. Can you give me an idea what they're going to be in the next couple of years?

**Hon. Mr. Melenchuk:** — Thank you, Mr. Chair, for that

excellent question. When we talk about teachers' pension and the current projections, we're looking at over the next four to five years roughly the same amount of teachers that will be retiring, and the demands on the GRF (general revenue fund) will be roughly the same over the next short term.

Where we find that the demands on the GRF will accelerate is when we get into the out years around 2015. At that time, the amount that the GRF will be required to contribute to provide its contributions to the teachers' pension plans will accelerate quite substantially.

So what has been discussed for some time, and certainly a recommendation from the Saskatchewan Teachers' Federation that we look at providing additional dollars at some point in time into the base which would then grow and also level out some of that curve in the out-years. We're not at the point at this particular budget where we've dealt with that particular problem. We do have some breathing room over the next few years as the projections in the short-term are pretty much for where we're at with the GRF at this point in time. Thank you, Mr. Chair.

**Ms. Draude:** — Mr. Chair, Mr. Minister, thank you. Can you tell me what will be the highest amount that you're projecting by the year 2000 and I think you said 11 to 14? What will be the amount that will come out of the GRF at that time, if there isn't anything put in during this time period?

**Hon. Mr. Melenchuk:** — Mr. Chair, if we work with constant 1999 dollars, it will peak in the year 2023 with the GRF requirement of 138.7 million. Of course in nominal dollars that would be higher, but in constant 1999 dollars it would be equivalent to 138.7 million.

**Ms. Draude:** — Just for the record, can you tell me what the nominal dollars will be?

**Hon. Mr. Melenchuk:** — In actual dollars for the year 2025, that would be 297.5 million. In nominal dollars for 2023 the actuarial analysis would put that at 138.7. So those are the exact numbers as determined by our actuary. Thank you very much.

**Ms. Draude:** — Mr. Minister, I had an opportunity to attend Public Accounts a while ago and I'm sorry I don't have the graph that you had at that time. Perhaps if you have the opportunity you can send me a copy of it.

Mr. Minister, there was a number of issues that affect the people of the province and when we talk about education or the learning, probably the one on everybody's mind right now when it comes to K to 12 education is the teachers' contract, and we discussed it at the last estimates. But I think that with the summer bit of a break on right now there's people that are saying, okay what is really going to be happening and how quickly are we going to be able to get the contract settled.

The SSTA (Saskatchewan School Trustees Association) and the STF (Saskatchewan Teachers' Federation) are talking about not just the dollars but the new matters that are on the table, and the concern that they have is paying for it.

Mr. Minister, when we discussed a while ago the opportunity or the responsibility of the government to pay for this additional funding, because it can't be looked at in this year's budget, it has been a question that your department has managed to put off. Can you tell me right now if your department has been . . . is going to commit to the additional dollars that it's going to take to cover the teachers' contract for this year until the budgets can be figured out next year with the new dollars that will be required to fulfill the contract?

**Hon. Mr. Melenchuk:** — Well certainly, Mr. Chair, this is something that we're taking very seriously. When we look at teacher bargaining, the current teachers' contract will be up at the end of August of this year. This year there was a 2 per cent increase on January 1 for teachers, and we budgeted for an additional 1 per cent on top of that for September 1.

We have also stated that the meetings have been going well, and they have been. A number of issues have been discussed at the table. Certainly issues with regard to numbers in terms of how that would be applied to a grid of course have not been substantiated to this point in time.

Subsequently the Teachers' Federation has asked for conciliation and this has been granted, and I understand that conciliation meetings will be beginning around mid-August in anticipation of a conciliation report by probably late August. The decision . . . once of course the bargaining has finished at the table and there is a tentative agreement, once that agreement is ratified, what we have committed to is to look very seriously at that agreement and crunch the numbers. We certainly haven't ruled out anything.

When we look at the history of provincial bargaining with teachers, there has only been one occasion in the past 30 years where the provincial government did not meet the entire cost of that teacher salary obligation. So what I can say today is that in the past there are numerous precedents for covering that, and what we have said is that we will look at that very seriously once we have the numbers before us.

**Ms. Draude:** — Mr. Minister, sounds to me like you . . . (inaudible) . . . going to come out and commit that you're going to cover the funding.

But I do think, as we go into the holiday season and the fact that the trustees and the boards across this province need to have some sort of feeling to go back on, knowing that their department is going to be behind them.

We know that the negotiating team is set out with five government members and four trustees, which means that the government is going to be basically making the decision and going to the school boards to ask for the payment. We have a number of school boards that have zero grab positions and we have a large number of them that are paying by far the biggest percentage of the teachers' salary cost.

So, Mr. Minister, is there any kind of statement you can make to the, to the school boards across the province to let them know that you're accepting your responsibility for these contract negotiations?



And I know you talked about covering 100 per cent of the salary cost, but that's only for school boards that are, that are actually going to be getting the benefit of a full grant from the government. There's many school boards that do not receive that benefit. And besides that, there are additional benefits in support staff that are going to require funding as well.

So, Mr. Minister, what kind of a statement can we give to the school boards across this province to let them know that your government feels they are responsible for the negotiations that are going on at this time?

**Hon. Mr. Melnychuk:** — Mr. Chair, when we, when we look at the amount of dollars that have gone into the foundation operating grant since 1999 on a calendar year basis, in 1999, there were three . . . there was \$397.5 million that was included in the foundation operating grant. This year, we're a little over 477 million. That's an \$80 million increase in three short budget years that is very much, very much exceeds the rate of inflation and is more in the 20 per cent range.

When you look at the amount of dollars that we have put into the foundation operating grant, this provincial government has increased significantly the dollars that we are providing to school boards across the province. When we talk about the number of dollars that are going in, we recognize that with reassessment and the new assessment numbers that came out in 2001, that there has been some substantive increases in the value of some commercial enterprises, but in farm land in particular, to the point where some of the school divisions now with a very large assessment base receive no grant because it is an equalization formula.

(21:30)

So we're looking at somewhere in the range, I think, of 12 to 14 school divisions that will receive no grant. And we're looking at probably more school divisions next year.

So that is an equity issue. If we even put the dollars into our foundation operating grant on an increased basis that exceeded the rate of inflation, those school boards would likely not get any dollars. But we also recognize that with declining enrolment in rural Saskatchewan that some of these school divisions now are approaching a million dollars of assessment per student and running mill rates that are substantially lower than their neighbours. So this really is an equity issue, and what we would like to do is have an equalization formula that provides grant dollars to every school division so that we could all benefit from this at some point in time.

So the point that I'd like to make to the member opposite is that even if we agreed to cover all of the costs of the teachers' salary increase, that would be provided on the same basis as the foundation operating grant has always provided through special warrant. And these school divisions that are high-assessment school divisions would probably not receive any grant.

Now I'm aware that the School Trustees Association would like to see that done differently, but the reality of the day is that this is a long-standing recommendation from the external reference committee which has membership from SASBO (Saskatchewan Association of School Business Officials), from the SSTA,

from the STF, and from the department, and from LEADS (League of Educational Administrators, Directors and Superintendents).

So all I can say at this point in time is that we are committed to look at the numbers, and how we apply those numbers we haven't determined at this point in time. So we are open to it. So to just assure the member opposite that we haven't locked in any pre-conditions at this point in time. We have basically said that we will look at those numbers.

**Mr. Wakefield:** — Thank you, Mr. Chairman. Mr. Minister, and welcome to your officials.

Just following that line a little bit, and I want to refer to an experience that I'm becoming aware of in the Lloydminster area with the Battle River School Division and the Lloydminster School Division. As you are aware, the Battle River School Division is one of those school divisions you referred to that has an assessment, although they don't like it, but the assessment results in a zero grant for the operation of those schools.

And this may not be different than other cities . . . or cities in the province that have students going into the schools from the rural areas around them. But in the Battle River School Division there is quite a substantial number of students that have traditionally gone into Lloydminster and when there was grants it kind of evened out and it worked very well. Now the Battle River School Division doesn't have the grants and so the students aren't eligible to go into Lloyd unless tuition is being paid.

Having said all that, that's a bit of a preamble to the real problem. The problem that the Battle River School Division and Lloydminster School Division have identified is the assessment within the region just around the city. And they have come up with a solution to the problem that if the assessment area of the Battle River School Division could absorb some of the industrial sites around Lloydminster, the increased assessment would help them offset the costs of the tuition and they would continue then to allow the students to come in.

The city itself . . . the city public school division agrees with that and the Battle River School Division feels that that is a solution, and on that basis they've made a submission to yourself and your department to recognize a change of boundary. Can you tell me if that is being considered, where it's at at this time?

**Hon. Mr. Melnychuk:** — Certainly, Mr. Chair, I am aware of the situation in Battle River and Lloydminster with regard to the upgrader. Now the upgrader is a commercial enterprise that has a significant value and of course a very high assessment.

The problem we have in terms of how we would apply the foundation operating grant in that scenario is that we have 99 school divisions. And if we were to shift the assessment from the upgrader from the city of Lloydminster to the surrounding rural community of Battle River, then what that would essentially do is take dollars away from those other 97 school divisions and preferentially put them into that area.

And that's the problem when we talk about equity because that

would mean, if we've got a big pipeline distribution just outside of Weyburn, would the city of Weyburn rather have that or would the rural Weyburn, central? And one of the things that the external reference committee is looking is ways that we can provide a more equitable distribution in terms of how we look at assessment in the province of Saskatchewan without actually changing . . . like making it fair.

We haven't come up with any solutions at this point in time, but we are working on it. And what I have said is that I wouldn't approve the transfer of the assessment of the upgrader from the city of Lloydminster to Battle River. But the whole question of assessment within the province of Saskatchewan is an issue that we will need to deal with.

Certainly some of the incentives we're doing now with school division amalgamations will provide some of that buffering, but the reality of the day is that as we go on, we're going to find that areas of development tend to occur in areas of development and that those assessment areas are going to increase, and the number of zero grant boards will eventually get to the point where they may be half of the school divisions.

And at that point in time of course the equalization formula just doesn't work. So what we're trying to do is sort out a way where we would . . . every school board would get some grant, and that way then the foundation operating grant principles of equity and opportunity — no matter where you are in Saskatchewan that you will have an equitable opportunity to a quality education — would apply.

And we certainly would like to renew some of these objectives, and we don't have a solution at this point in time. But that's part of the reason why I think that that would start a precedent that perhaps we would see snowball in quite a few other jurisdictions, and it wouldn't really solve the global problem that we have in the province of Saskatchewan.

In Alberta of course when they were faced with a series of developments on one side of the province with much less development in terms of the lack of acceleration, the provincial government in Alberta said, we will look at the assessment of the province on a global basis and basically then provide all of the dollars in a grant process to school boards, except for the small proviso that the Catholic boards in Alberta were still allowed an opportunity to access the local tax base.

But I'm not looking at any of these particular solutions. There's a range of them at this point in time, but there has been no recommendation come forward on how we might deal with this equity issue.

And that does lead more even into the global discussion of how we fund K to 12 education and the 60/40 split and what's the right number, but certainly I know that the members opposite may have more questions related to that.

But specifically with regard to Battle River and Lloydminster, I think I have sent the letter out to both of those school boards now indicating that I would not support the movement of the upgrader from Lloydminster to Battle River.

**Mr. Wakefield:** — Mr. Minister, just a follow-up. The solution

that they arrived at there is really a solution in a unique, rather a unique situation. Wherever there's administrations from both provinces trying to be implemented in one area, it always causes some rather unique situations.

So in this case a unique solution was arrived at by both the city of Lloydminster . . . or the public school division of Lloydminster and the Battle River School Division. And they of course applied for an attendance area adjustment. And it was my understanding — I may be wrong — but it's my understanding that whenever there is that kind of an application and both parties agree, it has in the past always been granted.

In this case if it's not granted for some extraneous reason of equitability across the province that really doesn't apply to this unique situation, then I think you're jeopardizing the ability of some of these students that have been going to school in Lloydminster from the rural area to continue going on there without having to pay a very large tuition. And I can't think that that is a very equitable situation for them as well.

**Hon. Mr. Melenchuk:** — Mr. Chair, certainly when we looked at the provincial perspective, this is not an extraneous issue from the provincial context. If we were to transfer that large, huge piece of assessment from a board that already receives grant and we transfer it over to a zero grant board that receives no grant, what we've done, in essence, then has increased the grant pool going to Lloydminster to the detriment of 97 other school divisions.

So the reality is that you can't look at these in isolation from the rest of the provincial context, and what we're looking at is a provincial solution that would address some of the unique circumstances in the Lloydminster/Battle River area.

**Ms. Draude:** — Thank you, Mr. Chair, and, Mr. Minister. Mr. Minister, this is going to cause great concern in the Lloydminster area, and I know that with meeting with them, they did look at the issue as something that's working in their area. I know that part of your policy and part of the Role of the School issue is to talk about how communities can work . . . can coincide, and recognition that a community is important based on not just the school system, but all the other facets of the community.

And I would think that the department making a decision like this when the local people are really in favour of it on both sides of it is really taking the control out of the hands of the local people, which is something that your government and your School<sup>PLUS</sup> report is saying that you shouldn't be doing. So I know that your department says the big picture issue is what your area is, but you're putting a really unfair burden on the local people.

So, Mr. Minister, I would be wondering if these local people are going to be able to have a chance to come and talk to you and say, hey, I think you made a decision here that's going to be detrimental to our students. And will you meet with them?

**Hon. Mr. Melenchuk:** — Certainly, Mr. Chair, again, we have to look at the provincial perspective. But when we talk about local issues and we talk about communities, I just wanted to let the members opposite know that we have received

representation via letter from the rural municipality, who is strongly opposed to the movement of that assessment from Lloydminster to Battle River.

**Ms. Draude:** — Mr. Minister, my question is, will you meet with these school divisions?

**Hon. Mr. Melenchuk:** — Certainly, Mr. Chair, I don't have any problem meeting with the school divisions, and hopefully, we can — because this is an issue in many other school divisions — that we can come up with a final solution at some point in time.

But I'm more than willing to hear their concerns and discuss some of the issues and provide the rationale from the department in terms of the global perspective that we're looking at with regard to assessment and equalization in the province of Saskatchewan.

(21:45)

**Ms. Draude:** — Mr. Minister, our questions here this evening seem kind of scattered because when the answers that I receive from you actually lead into other questions and seem to be getting me off track . . . And I should warn you that I have a whole array of questions so we are going to be extending our time period here by some of the responses that you've given.

But there was two issues that I have to address and one of them was you talked about the increase in the value of farm land and thus making the school divisions higher assessed, and meaning that there'd be more money locally to pay for education. Mr. Minister, you've been sitting in the House all session and hearing us talk about the number of areas of this province that are really depressed with the drought, and even some areas of the province that have too much rain, but most of the area, most of the province has a drought situation.

And the value of the farm land is set by SAMA, by some board that's decided this is what the actual value is. That's not the cash value, that's not the kind of input, that's not the opportunity that people have for cash from that land. So telling them that you have highly assessed farm land, which means you can pay for 60 per cent or more of education, is not something that farmers are wanting to hear right now when they know very well that their opportunity for income off that land this year is very, very low.

So to sit here and say that this is something that farmers can afford to do because of the value of their land isn't something that makes any sense, and I'm sure that the minister is well aware that this is going to be causing a big concern. We have to have some assurance that we're not just going to plunk additional costs on to people who cannot afford to pay 1 cent more in taxes by saying, this is the way it's always been done.

Mr. Minister, I had an opportunity to talk with the SSTA and they said that in years where the budget or where the teacher negotiations take place during the year, and extra budget requirements are required during the year, we should be . . . have some assurance that the government is going to carry the costs of that salary increase and the benefits and the support staff until we have an opportunity to go back to our people and

decide how we're going to deal with this area.

So, Mr. Minister, is there anything that you are thinking that your department is considering to actually alleviate some of the problems that we know are going to be coming by the end of August when it comes to fulfilling the requirements of paying for this teachers' contract?

**Hon. Mr. Melenchuk:** — Well thank you to the member opposite, Mr. Chair. Certainly this is the issue when we talk about the increases on the assessment values of farm land.

One of the things to consider — and I think that certainly the members opposite would be aware of this — is that with the reassessment in 2001, the values of farm land did increase substantially. But they were also adjusted through local market indices that it is my understanding that SAMA (Saskatchewan Assessment Management Agency) has now made a recommendation that these will be moved out of the picture and that there will be more revenue-sensitive instruments used in assessing farm land for the 2005 assessment.

I also — and I'm sure members opposite are aware of this as well — is that with the 2002 assessment that the percentage of value that the provincial government has applied to cultivated land has dropped from 70 to 55 per cent. And if we look at that drop of 70 to 55 per cent in terms of the percentage of value that is looked at for assessment and compare that to all other tax categories, commercial/industrial is taxed at 100 per cent; a residence in Saskatoon or Regina or P.A. (Prince Albert) or Moose Jaw is taxed at 70 per cent; cultivated land is taxed at 55 per cent; pasture is taxed at 50 per cent; and all of the building improvements, farm buildings are not taxed because of 331(i)(q).

If we would not have dropped the 70 to the 55 per cent on farm land, that would have been over 20 to \$25 million of assessment. So in essence, when we eliminated the . . . well we basically kept our commitment for the two-year 25 million rebate. That's almost equivalent to the 70 to 55, except that is now built into the base. That's an ongoing factor and certainly is a benefit that everyone receives. Even though the assessment increased the number of dollars that was coming from ag land, the actual amount that would have come from 70 per cent would have been considerably higher.

It's a little bit . . . I know it's quite complicated, but the member opposite did ask with regard to that.

Now she asked again about the specific requests with regard to covering the teachers' contract. And what I'm prepared to say of course is that I am willing to look at those numbers and I'm willing to move those numbers forward to Treasury Board and cabinet for their consideration. And certainly at this point in time I can't commit to anything more than saying that I will be prepared to move those numbers forward so that the government can decide on whether we're going to cover that.

**Ms. Draude:** — Mr. Minister, as the minister responsible for education and the one that the school boards and the parents and the teachers of this province are looking to to ensure that education is a real priority, I really would prefer it . . . I'm sure they'd prefer to hear you say, yes we're going to . . . we're

going forward with this. And I'm going to really hope that this government . . . I'm going to do my utmost to make sure this government is going to pay for these costs. To say that we're going to bring it forward to cabinet and see what they say isn't going to give anybody much reason to sleep well at night.

Mr. Minister, you also discussed the property tax rebate that was eliminated, and somehow or another you got this idea that this is a good thing, that people are benefiting now because of the reassessment and playing with the numbers. I'm well aware that you have all these statistics at your fingertips and you can . . . and you believe them.

But at the end of the day the people that are paying the bill are saying no, this is not a big help for me. I'm paying 60 per cent of the costs of education and the government is making the decisions. So I think the minister and his department are pretty well alone in their decision and their belief that everything is going quite well.

The one area that we . . . that you touched on that I didn't have an opportunity to talk about was the Alberta model where every school division . . . the school divisions get their money from the province. And it's one issue that we brought up not too long ago and I think you commented on it in the media. And it's something that both the SSTA and I believe the STF are saying this is a whole new system. This would be one of the biggest changes in education that we've seen forever to have the autonomy taken away from the school boards.

You're saying that it's just one option that you're looking at, but it's something that I've heard the minister speak about a number of times and it sends shivers down the back of many people. So is this something that is . . . one of the options that you're playing with quite openly? I know that we talked about commercial pooling of assessments, we talked about an assessment right across the board of 4 or 5 mills to probably take some of the money from the negative grant boards.

But this is really a huge issue, Mr. Minister, and something that again would complicate the lives of many people. So where are you standing on this issue? Is it something that you see as something that you would prefer in a model of funding schools?

**Hon. Mr. Melenchuk:** — Mr. Chair, no I wouldn't prefer that model, but just to give a bit of background. There are four provinces that rely to some extent more or less on property tax for public finance for K to 12 education purposes. The other six provinces and territories rely almost exclusively on general revenues. The next closest province to Saskatchewan would be Manitoba in the amount of education tax that comes from property.

But the school trustees did an analysis about a year or so ago where they looked at the reliance of provincial governments on property taxes with regard to own-source revenue and what they found is that Saskatchewan really is just above the provincial average in terms of its own-source reliance on property taxes. And that's because other provinces will have social services or health care that comes from that property tax base that is paid for in Saskatchewan through the General Revenue Fund.

So the simple, short answer to the member opposite is that I'm

not in favour of the Alberta model, but we do need to look at how we're going to find the solutions for how we fund our K to 12 education system.

**Mr. Elhard:** — Thank you, Mr. Deputy Chairman. Through the chairman to the minister, I was listening with some interest to the discussion of assessment and equity and the combinations thereof as a result of our current assessment system and our grant system and what might . . . might arise in the future. And as you know, for inequities, I don't think that there's any greater burden, inequitable burden suffered in any area of the province than that by the school districts in the Southwest.

I had the good fortune earlier this spring of being one of several MLAs who met with representatives from each of the southwest school districts and they put forward some of their concerns to us. And just for the record, Mr. Minister, I'd like to read into tonight's proceedings just a short part of the document that we were presented with. I think it deals with the issues of equitable distribution of financing and funding in a little different perspective. If I may and I'll quote now:

We think you should know that, in general, Southwest boards have continued to receive a net reduction in our foundation operating grant and are rapidly moving to a position, if we're not already there, where 100 per cent of education funding is coming from the property tax base. In reality, we receive no additional money even though the government increases education spending. The reason for this is that we are also experiencing declining enrolments. As our student numbers fall, so does our grant; this together with inflationary pressures from utilities and wages paid to ancillary staff have forced boards to make tough choices. We have responded by rationalization, cutting spending, and increasing our mill rates.

Our ratepayers understand this and we are being held increasingly accountable by them. We have a situation where 75 per cent of the budget allocations are dictated by the government and 90 to 100 per cent of the cost are borne and raised locally. We believe that the government sees the solution to be, in part, amalgamation.

Whether or not amalgamation is the response of the government to that scenario, Mr. Minister, is something you might want to debate with me. I understand though in previous discussions with the critic and other individuals that you have said you're not interested in forcing amalgamations, so I'll take the assumption that you don't think amalgamation is necessarily the way to achieve the best case scenarios for these boards.

But nevertheless, I guess the question remains if you're talking about inequities, here you have virtually all of the education funding coming from the local tax base with very little control over the decisions being made as to how that money is going to be spent. I think there is something clearly inequitable about that type of situation. It's almost akin to taxation without representation and I think that if we want to talk about inequity, this is a classic example.

So, Mr. Minister, are we going to have to wait for some fairness, some proper treatment of the school boards that face this kind of downloading on a continuous basis until SAMA

comes up with some possible solution in terms of how they're going to do assessments or do you have some other solution that might work in the meantime to address this inequity?

(22:00)

**Hon. Mr. Melnychuk:** — Well thank you, Mr. Deputy Chair. Certainly I would agree with many of the things that have been stated in the letter because we've seen similar letters for several years now from other jurisdictions that have, have been or had been moving into a zero grant position. And what that means is, of course is, that yes assessment has been going up and enrolments have been going down; and when you look at the most sensitive items in the foundation operating grant they are most sensitive to the number of students in that school division and basically . . . and also the recognized revenues for that school division which is based on the assessment.

So what you really are highlighting are the issues that we've been talking about is how do we get a system that is fair in terms of equity, that is fair in terms of the equalization component and the principles of the foundation operating grant, and how do we apply that province-wide?

Now we don't have . . . I don't have a solution for that at this point in time. And there have been various scenarios played out, none of which have received a consensus. So I certainly would agree with what has been stated that it is a concern and is very much a concern for myself. And I have indicated to school trustees that the equity issue is one that we are very concerned about, and that is getting worse, and that certainly we would like to see a solution in the near future.

When they say though that 75 per cent is dictated by the government, that's not correct. The number of dollars that are applied through our foundation operating grant, when we compared them to other jurisdictions of course, we provide probably the most unconditional dollars of any jurisdiction. And in the zero grant board, even though there might be recognized expenditure items for special-needs children for example, there isn't a whole lot as a provincial government that we can do if all of their dollars come from their local tax base. I mean, really, they are unconditional dollars. And you know there is an expectation that they will cover special needs and other things with regards to transportation but it's not something that we have a way of controlling.

So even though we provide that information in terms of recognized expenditures, recognized revenues, and their net grant to each school division on an annual basis, a zero grant board or a board that gets very little grant dollars, really the amount of dollars that it gets from its tax base is really unconditional.

So the point is that equity is the issue that needs to be addressed. And when you have access to a local tax base the foundation operating grant operates on recognized revenues and recognized expenditures, and actual revenues and actual expenditures would depend on the mill rate applied by that school division on its assessment and the actual amount of dollars that are spent.

And we don't know those numbers until we actually see the

audited financial statements for each school division the subsequent year.

**Mr. Elhard:** — Thank you, Mr. Minister. Through the Chair to the minister, whether or not the 75 per cent figure is accurate, I'm not in a position to dispute. I have to take the board's say-so at face value. They're the ones that are looking after their books and accounting for the dollars that they're spending, and I'm assuming that at 75 per cent, they know their budget better than I do, and I think that I would have to go with their assertion that that's a realistic figure.

Part of the problem, as you can well appreciate, is that school boards are quite substantially caught in the middle. They have a squeeze applied to them that makes it very difficult for them to operate. There are standards and expectations placed on them by the Department of Education, and there are expectations placed on them by the taxpayers, the people who are actually footing, virtually, 100 per cent of the bill.

And to accomplish the purposes of the Department of Education to qualify for a foundation grant, if it's at all possible, they have to have more students. And in the case of the large and widely dispersed districts of the Southwest, obtaining more students so that they can qualify for these grantings make it impractical or impossible to achieve. The fact is that to bring more students into a school district, even if you wanted to go through amalgamation for whatever reason, you would make the distances so large that any benefits achieved through amalgamation would be lost through added travel expenditures.

I was provided with a graph earlier by some of the members of the southwest, and in fact I noticed that, you know, the kilometres travelled just in the Swift Current School District and some of the staff people in that district from last year to, I'm not sure what year exactly they're comparing it, but we're talking about 84,000 kilometres travelled by people who provide educational services in the Swift Current and district ECIP (Early Childhood Intervention Program).

And, you know, when you get those kinds of kilometres travelled that provide services, any savings that might be accomplished on one hand are certainly eaten up awfully soon by that type of an example. And that's just one person. Who knows how many other individuals might also be adding that kind of mileage.

So, Mr. Minister, we've got a situation where boards now have become increasingly sensitive to their taxpayers' needs as opposed to what they see as governmental requirements or orders. And as local taxation pays the major share of education, the influence of local taxpayers is going to increase on the decisions of the boards.

And I think what you're going to find, Mr. Minister, is a resistance, a resentment, frankly, at the local level. The people feel they've got their backs up against the wall from a taxation point of view. They're being taxed at a higher rate because of an assessment system that does not take into consideration the realities of the marketplace, and they're being asked to carry a greater share of the load.

And if you want people to resent the governance model that's

being placed upon them, all you have to do is ask them to pay more for less, and I think that that's not a situation that the provincial government or the Department of Education wants. I think you want, you want an effort, a joint effort, to achieve the best in terms of education for students no matter how populous or underpopulated the area may be.

So I think, Mr. Minister, we really need the department to look quickly and more thoroughly at these issues of inequity as they affect especially the rural Southwest part of this province.

**Hon. Mr. Melenchuk:** — Well certainly, Mr. Deputy Chair, I would agree with what the member opposite has stated here. I think we do need to look at more revenue-sensitive methodologies for assessment. And I think that the school divisions in the Southwest or the members of those school boards have to make some of the most difficult decisions because they are covering a large geographic area with declining student enrolments. And the numbers in terms of travel, the arrangements that we see happening within these school divisions in the Southwest with regard to shared services, sharing say a speech pathologist or a director of education, they've been forced to do for some time.

So I don't think we're disagreeing with the member and I would agree that we need to look at the issue as quickly as possible in terms of dealing with that inequity we're seeing across Saskatchewan and also providing more revenue-sensitive instrumentation for assessment so that we're not looking at it in terms of a wealth context but the ability to generate revenue.

**Mr. Elhard:** — Thank you, Mr. Minister. Mr. Minister, I'd like to change the subject somewhat at this point in the evening. As you will recall, in the early part of April . . . I'm sorry, the early part of May, there was a situation that developed in the school district of Leader. It concerned the mutual termination agreement that was struck between the school board in the Leader School Division and one of its principals. And after the situation had developed, we came to estimates and asked some questions of the minister at that time and asked what he was considering doing if anything, what some of the alternatives and options might be. And we have had two months pass in the interim in which there has been a continued silence imposed on the negotiations.

I understand there has been a process in place. The aggrieved parties and some additional parties of interest to that particular situation have been participating in an ongoing negotiation. But with the passage of time the people of the community are becoming increasingly frustrated. I think the minister is well aware of that. He's probably received as many phone calls, faxes, and letters as I have on that particular topic.

And I'd like to ask the minister tonight, can he indicate for the House and for the people of the Leader school district what is the current status of the dispute resolution efforts that are being undertaken by the board, the local teachers, the STF, and the SSTA.

**Hon. Mr. Melenchuk:** — Well thank you, Mr. Deputy Chair. It's my understanding that conciliation continues with regard to the local teachers' association, the affected boards of education, and representatives from the Saskatchewan Teachers'

Federation and SSTA. There also has been an agreement that there would be no public statements with regard to this conciliation until it . . . until there is a resolution.

Where they're at, I don't know. In terms of the process I understand conciliation has been going on, that they have not yet come to a conclusion or a resolution of the particular problem, and that the in dispute designation is still in effect with regard to the Leader School Division.

**Mr. Elhard:** — Thank you, Mr. Minister. I brought with me to the House tonight a copy of a fax that was sent to your office from a concerned parent in which she included the registration for her daughter in the Medicine Hat school district and a copy of letters to the editor that appeared in *The Leader News* on the 26th of June.

This individual called my office and indicated that her daughter was not the only student from the school in Leader that was being registered in Medicine Hat. She named five other students that were being registered out of province. The reality as I understand it is that there are other students being registered in communities surrounding Leader, in Kindersley, and so forth. And there's a great deal of anxiety associated with the decision of these parents. When they took this action it was a desperate, last-ditch attempt to salvage what they see as an education for their children as far as their grade 12 year is concerned.

And I know that there is expectation on the part of the minister and maybe other people in the Department of Education that such efforts will be for naught because there will be a resolution. But that might not happen; there may not be a resolution. And I think the parents are looking at a situation where they don't feel confident that the process has served them or their students very well.

And in fact, being an in-dispute school board, there is no provision made now for the hiring of several high school teachers for the community of Leader. And without math and science 30 teachers, and some of the other very important subjects being covered — at least it looks at this point that that's going to be impossible — the entire school year is in jeopardy for a number of these students. Many grade 11 students are equally concerned about their future.

And, Mr. Minister, in view of that and in view of the tensions in the community and the uncertainties and concerns, I guess the question that's been posed to me and which I would like to ask you is, can the minister, has the department, contemplated the development of a process that would include earlier mediation — by possibly an independent, outside party of some sort — that will keep the taxpaying public, the parents, and the students apprised of developments?

As it stands right now, we have the current process in which everything is confidential and virtually no information gets out. And it creates such a vacuum of knowledge that all sorts of innuendo and insinuations rush in to fill that vacuum.

Outside of that, all we've got is a situation where the department can go in and revoke the privileges and the standing of the existing board and take control of the processes there. There's got to be some alternative, some type of process, some

mechanism by which these very critical disputes can be resolved before they reach the state this particular situation has reached.

And I'm wondering if the minister has contemplated that at all and whether or not his officials would consider bringing changes to The Education Act that would address these kinds of desperate situations.

(22:15)

**Hon. Mr. Melenchuk:** — Well thank you, Mr. Deputy Chair and thank you to the member opposite. I certainly don't agree that the process has broken down. I think that the process is working.

We're very concerned, and we're watching it very closely in terms of . . . and we're hopeful that a resolution will be forthcoming soon. When we look at the power that's provided to the minister under the Act, really there has only been one situation . . . and I think in probably 20 years, maybe longer that I've been told of, anyway, where that provision of the Act has been utilized, where the department has gone in and actually provided governance, management of a school division, and that was because an entire board resigned on the spot. So it was a very unusual circumstance.

I've received letters from the Saskatchewan Teachers' Federation as well as the Saskatchewan School Trustees Association, and certainly the Saskatchewan Teachers' Federation have indicated to me that this is something that I should keep in the back of mind and be prepared to do if things don't go well. And I've been asked by the School Trustees Association to let the mediation, conciliation process work and not be too aggressive with regard to moving in to take over the governance, management of that school division.

And so we're aware of the time lines. We know we're into July. We know that the school will be starting up in September, and that there will be a resolution, and it is hopeful that that resolution can be negotiated through that conciliation process.

**Ms. Draude:** — Mr. Deputy Chair, Mr. Minister, there are two big issues in K to 12 that we haven't discussed. One of them is amalgamation, and the other one is the schools of choice, the School<sup>PLUS</sup> and formerly known as community schools.

So, Mr. Speaker, the amalgamation issue is one that the school boards are, many of them are considering right now and looking into because of the release and the department's decision in November to ask the school boards to consider amalgamation. There was two press releases put out, quite quickly, one after the other, about the amount of money that was going to be spent or allowed for school divisions. So to start with, can you tell me how much money your department feels will be spent on amalgamation in this . . . in this school year?

**Hon. Mr. Melenchuk:** — Well thank you, Mr. Deputy Chair. It's my understanding that we've allocated \$1 million in incentives for this current year.

The direction that was provided to school divisions is that we would like to see a roughly 25 per cent reduction before the

elections, the local elections in October, November of 2003. It's my understanding that there are currently roughly 40 school divisions that are engaged in discussions. Several school divisions have passed motions of intent to amalgamate, that they are aware of the incentives.

We have received inquiries in terms of elaboration of some of the incentive packages that will be provided based on the number of schools that would be enrolled, for example, in the amalgamated division. There's a . . . there's a per student grant. There are dollars available once the motion of intent has been passed and also when the formal motion is completed.

The availability of department staff to assist with amalgamation and also school divisions that have amalgamated; such as in the Prince Albert area and the Cupar, Indian Head, Buffalo Plains situation where they are actually accelerated their process from the initial timeline so that they are even closer to amalgamating than they were because they have found that the process is working so well for them.

So we've allocated \$1 million this current fiscal year as part of the incentive package, but I would expect that the bigger dollars associated with amalgamation would be applied as we get closer to the . . . probably more into the next fiscal year because that's when the amalgamations would be completed and that's when the majority of the dollars would be provided.

**Ms. Draude:** — Thank you, Mr. Minister. When you talked about the number of school divisions that have passed motions of intent, I believe you said that number was 40? Is that correct?

**Hon. Mr. Melenchuk:** — No. They're having discussions.

**Ms. Draude:** — Mr. Minister, \$1 million isn't going to go very far when we talk about the . . . I think it was \$7,500 that . . . for some of the incentives?

Can you tell me how much money you have budgeted for this amalgamation process? I believe there's two more years in your agreement or your discussion process. What do you think it's going to cost the Department of Learning for this amalgamation process?

**Hon. Mr. Melenchuk:** — Mr. Deputy Chair, we've also allocated an additional \$3 million in the subsequent year, which would be the out year. So there's 1 million and 3 million.

In the . . . for consideration of support, there would be \$7,500 provided to a school division. Amalgamation restructuring transition assistance, the maximum amount available would be 450,000, but that would be a very large amalgamation where there would be a very large school enrolment and it would probably involve a large urban board. And then the early commitment support of 15,000 per school division.

So when we're looking at the projections provided by the department to meet the demands of transition and the actual costs of transition that we've been able to analyze from amalgamating boards, we believe that the 1 million and 3 million actually comes fairly close to covering the cost that would be required for a 25 per cent reduction of school divisions.

**Ms. Draude:** — Mr. Minister, I know that there's been a number of school divisions have amalgamated already and there must be some work done on assessing the benefits to amalgamation. We have talked about the voluntary amalgamation and a number of school divisions are looking at this.

But can you give me the department's perspective on why this amalgamation process is something that you are considering, or you're asking the school boards across the province to consider?

**Hon. Mr. Melenchuk:** — The member opposite may be aware that I actually, when I talked to the Teachers' Federation spring council, I talked to them about this very issue.

And what we found is that when the department surveyed boards that had amalgamated and the positive experiences that they itemized from the amalgamation, some of the things that were commented on and rated highly was the ability to redirect dollars to the classroom, that there was an expansion of programs available including practical and applied arts, band, and also the opportunities for professional development for teaching staff were just three of the key areas that they honed in on.

But really what amalgamation is really all about is providing opportunity — greater opportunity — for educational experiences in these school divisions. And what we've found is that the amalgamated boards — for example, in Prince Albert — say that that has improved the opportunities for the children within their school division.

**Ms. Draude:** — Mr. Minister, the member from Cypress Hills brought up the issue a minute ago about distance travelled and the fact that amalgamation or some of the restructuring that has . . . it could happen in other areas . . . maybe not benefit some areas of the province when you talk about the money that would be spent on sharing staff and the travel time that would be required.

And we also . . . I've been waiting to hear from some of the school divisions to tell me about the direct benefits to the children. I think that if the school boards have decided that it's a benefit for them, then I respect their opinion and they are the ones that make the decision, but we haven't had this . . . it hasn't been in the system long enough to actually be able to prove what the direct benefit is to children.

And some of the other areas that we're hearing about is the fact that some schools feel that the closures that are talked about right now, when it comes to individual and local schools, could be based on school divisions' intent to amalgamate which they feel is something that the department is pushing. So we all feel and know well the value of the school to a community and the fact that without the school, you lose the heart of the community and you lose the growth potential for a community.

So can you tell me what your department feels . . . what your issue is around this area of amalgamation and how you feel this is affecting things like school closures?

**Hon. Mr. Melenchuk:** — Certainly, Mr. Deputy Chair, when

we look at school division amalgamation and school closures, the amalgamation of school divisions in terms of providing improvements to opportunities in the classroom do not necessarily mean school closures. In fact, what we've found is that in boards where they have amalgamated, that the ability to share resources and also to redirect administrative costs to the classroom have actually improved the opportunities for smaller schools and more remote schools to the point where they weren't closed.

So school closures is a different topic. It's a decision made by a school division and a school board. There is a process in rural Saskatchewan where, if there is an indication that there would be a school closure or a grade reduction, that there has to be approval from the local school board. If the local board does not approve, then there has to be a wide based public consultation.

But the reality is that in fact school division amalgamations will actually perhaps decelerate school closures in some school divisions where some of those smaller schools might be at risk.

**Ms. Bakken:** — Thank you, Mr. Chair, and to the minister. I have a few questions, Mr. Minister, pertaining to a school closure in my constituency of Weyburn-Big Muddy. And I started questioning you about this some time ago in estimates work before, and we did not have time to complete it. And I found it interesting, your last comments about amalgamation and how it should not have any impact on closure of schools; in fact it should be an enhancement and possibly stop the closure of schools.

And so, Mr. Minister, I'm wondering if you could comment on a comment that was made regarding school closure in Pangman by a local member of the board, who said that the government is encouraging division boards to tidy up their divisions prior to amalgamation. If you would like to comment on that.

**Hon. Mr. Melenchuk:** — Mr. Deputy Chair, that is not the direction of the department. And any of the circulars that have been provided to school division and school board chairs do not include that language, Mr. Deputy Chair.

**Ms. Bakken:** — Mr. Chair, and Mr. Minister, thank you very much. I'm encouraged to hear that.

My next question is, as Minister of Learning, is it your belief — and I believe that maybe you have already expressed this in some ways — but is it your belief that a school is vital to the survival of a community and that it is of utmost important to not only sustaining rural Saskatchewan but in revitalizing it?

**Hon. Mr. Melenchuk:** — Certainly, Mr. Deputy Chair, I think that everyone believes that schools are important for that community. We also recognize that the reality of Saskatchewan is that we are seeing declining enrolments, especially in rural Saskatchewan. We've talked about the numbers of school closures that occur on an average basis and on an annual basis.

When we look at, for example, in the 1980s, we had as many as 20 or 22 or 23 school closures in a given year.

In recent history we've been looking at more like six or seven school closures across the province of Saskatchewan, most of



these in rural Saskatchewan. We look at the projections for next year. We're in that same sort of six or seven range with another three or four applications for grade reductions. So I don't know if we're at the point where the numbers of school closures are in this five, six, seven range.

And perhaps we'll be seeing less of these, but I think the most difficult decision for any school board or any school division is looking at a school closure in a town and, or a village, and those are local decisions.

The Education Act does provide for a process where if it is a rural school division and there is a motion of intent for school closure that if the local school board agrees with that then that's a done deal. If they don't agree with it, then there has to be a wide-based public consultation where the decision and why that decision was made can be available to the community.

**Ms. Bakken:** — Mr. Chair, thank you, Mr. Minister. Could you tell me what this wide-based process that the community that is opposed to it, how they go about making their views known and have a voice in the final outcome.

**Hon. Mr. Melenchuk:** — Well, thank you, Mr. Deputy Chair. In a case where the closure of a rural school does not have the consent of the local board, then section 87 of the Act proscribes the process. And what that process says is that following a motion of intent to close or discontinue grades, the board of education must convene a meeting of electors at least six months in advance of closure and at least three months prior to a final decision. So that's a two-step process and the purpose of this meeting is to advise the electors of what is under consideration.

Following a decision to close a school or discontinue grades and at least three months prior to the effective date, the board of education must notify the board of trustees or local school advisory committee of the decision; and following notification of the decision, the board of education must consult with the board of trustees or local school advisory committee with respect to the educational services to be provided for the students affected.

So there's a two-stage consultation, and then there's a process afterwards in terms of how they're going to deal with the children that may be disaffected by that decision.

**Ms. Bakken:** — Well, Mr. Chairman, to the minister, that is indeed the concern is that there is a process, but all it is is consultation and then a decision as to where the children are going to be dispersed to.

And in the situation with Pangman School, we already have children coming there from Parry School that was closed and Ceylon School that was closed, and now if these children have to go elsewhere, they'll be split in probably four ways. Some will go to Radville. Some will go to Bengough. Some will go to Milestone, and even some might go to Avonlea. And what we're going to have is a community that is split and splintered and will be destroyed.

And I would like to ask the minister if he, because of his concern for rural Saskatchewan and keeping Saskatchewan

viable, is there any way that he would work with the district board and the local community to find a solution for this? The local community has spent many, many hours and many, many dollars researching the reasons why their school should stay open. They have taken this to the district board. The district board has yet to justify their reasons for closing the school, and I'm wondering if the minister would be interested or would he help in finding a solution to this problem.

**Hon. Mr. Melenchuk:** — Certainly, Mr. Deputy Chair, over the almost three years that I've been Minister of Education, I have received letters from citizens who were concerned about their local school.

When we look at the reality with regard to the local autonomy and our recognition of local autonomy and the right of elected members and elected trustees to make decisions on service delivery, that we really have to respect that autonomy. We believe that school divisions and school board members, that probably the most difficult decision they have to make is the closure of a school, but they are the group of people, men and women, individuals who have been given the authority under the Act to have that local autonomy to make those decisions. So I think it would be very unwise and I don't know of any minister of Education in the past 20 years or longer in the province of Saskatchewan who has ventured into such a local issue and the decisions are made by the local board.

**Ms. Bakken:** — Thank you, Mr. Minister. Just one last question. In light of the fact that the minister will not intervene . . . I guess intervene isn't the right word. I was asking for a consultation in trying to come to a solution. If the local board wishes to have a mediator to come to resolve to an issue with the district board, is that something that the district board would have to grant the local board?

**Hon. Mr. Melenchuk:** — Certainly, Mr. Deputy Chair, I've been informed by my officials that two members — two senior officials will be meeting with the local committee to discuss and perhaps address some of their concerns.

**Ms. Draude:** — Thank you, Mr. Deputy Chair. Mr. Minister, on the issue of amalgamation I'm wondering if your department has been contacted by any school divisions who are saying that to amalgamate an entire school division isn't something that is . . . maybe a wise move on behalf of the people in the area because of the trading patterns or what may happen to the students who may have to go to various schools.

School division boundaries were set a number of years ago and even with amalgamation I'm sure there are some areas where it would make more sense for part of the school division to go to another area. I'm thinking of this when it comes to the bigger issue of schools choice . . . schools of choice or Role of the School and School<sup>PLUS</sup> where we have interagency co-operation required between departments to ensure that health care and Social Services and Justice can be . . . the issues can be looked at in a bigger perspective.

So I know that we've looked at all these boundaries and from various departments and agencies and commissions and boards across the province. And with the amalgamation of the school divisions the way they are I'm sure that there is some people

that are shaking their heads and saying is this really going to getting us a step closer to organization or to making the School<sup>PLUS</sup> issue really work.

So my question to you is, have you been approached by any school divisions to have part of the school division go with one area and part of the school division go to another division?

**Hon. Mr. Melnychuk:** — Mr. Deputy Chair, I'm not aware of any current situations where they're . . . we've had a request to alter the boundaries of an existing school division, but when we talked about the initiative that we entertained beginning in 1995-96 where we've seen a decrease of school divisions from 120 some down to 99, that the concept that we've expressed has been restructuring.

So the general rules are that for separate school divisions there is no need to have a contiguous boundary; for public school divisions that wish to restructure that there would be some contiguous boundary; but also it opens up the opportunity to discuss whether there would be restructuring of a partial division or all of the division or a piece of another division — all of those possibilities are options that can be entertained.

**Mr. Hart:** — Thank you, Mr. Chair. Mr. Minister, I recently was contacted by a family in my constituency who have a cerebral palsy child. Their daughter is in the . . . attending one of the schools in the constituency, she's an elementary school aged child. And as you can well imagine, the school certainly isn't meeting her needs. The parents are very concerned about her development and so on, and they've actually done a fair bit of research into looking at alternative programming and seeing what's being done in other parts of the country and in the world.

And they tell me that there's a program that was developed that meets the needs of cerebral palsy children. It's called the conductive education program developed in Hungary. And I'm wondering, Mr. Minister, has your department . . . is your department aware of this program; and if your department is aware of it, is there any consideration in developing a program in a number of areas in the province to meet the needs of these special needs children?

**Hon. Mr. Melnychuk:** — Thank you, Mr. Deputy Chair. The conductive education program is something that the department is aware of, and in fact we have had teachers go on site and assess where conductive education programs are currently being engaged, and the department is continuing to evaluate that particular program. It hasn't been implemented in terms of a recommendation by the department to school divisions who are empowered with of course providing service delivery options. But it is something we are aware of, and we are continuing to evaluate before we make a recommendation.

**Mr. Hart:** — Well, Mr. Minister, I'm told that there a number of provinces in Canada that currently offer the program — British Columbia, Alberta, Manitoba, and Ontario to name a few. I'm also told that this program, it offers . . . there's an education component to the program plus a physical activities component to the program. And according to the information that I was given, that an astounding 80 per cent of the children that enter this particular special program are able to function in society and in fact many of them are able to achieve a level of

improvement over their current situation so that they can live independently, Mr. Minister.

I'm also have been told that your department back in '99 ran a three-month pilot project in Saskatoon. And if that in fact is the case, I would wonder why it was discontinued. I guess the other question is . . . and these constituents of mine felt that three months really wasn't a long enough time if in fact their information was correct. They feel that probably two years would be a more appropriate time, and they really have asked me to urge you to look very seriously into this because there are a number of children that could really benefit from this particular program. And they would like a commitment from you, Mr. Minister, to give this some very serious consideration and perhaps have something in place in the near future.

**Hon. Mr. Melnychuk:** — Certainly, Mr. Deputy Chair, when we look at the diagnosis of cerebral palsy and the impact that there's a variable impact in terms of the deficit or need.

When you have a particular programme . . . and I think I should mention to the member that there is some controversy around this particular educative consultative program that requires for us to do due diligence in terms of the assessment. Now we haven't had sort of a final recommendation with regard to it, but there are other programs that are also being evaluated in terms of continuous improvement, quality improvement with regard to our special needs.

So at this point in time I would wish to assure the member that we are aware of the program, that we continue to evaluate the program. But at this point in time we have not yet made a recommendation to school divisions.

**Mr. Hart:** — Mr. Minister, I wonder if you could give me an indication as to a time frame in which you will make this decision. I know my constituents, and I'm sure many other parents across the province, are looking for a decision from your department on this program. And as I'd indicated earlier there certainly is a need for some special programming for these special young people that we have in our schools.

**Hon. Mr. Melnychuk:** — Mr. Deputy Chair, what I've been told is that, from my officials, is that we're not against this program. We would probably never say no to it, but in terms of an endorsement, we would need to do more evaluation from the pilot projects to say that this is something recommended by the department.

But just to remind the member that school divisions in the province of Saskatchewan that are currently using the conductive education program of course will continue to use that program, and other school divisions can make that decision at any time to utilize this program.

**Mr. Hart:** — Thank you, Mr. Minister. I'd like to turn our discussion to another area. The Punnichy school in my constituency has been designated as a community school, and that in itself is, I think . . . speaking to the residents of that community, they feel that it certainly is a positive step.

However, as in many things, there is also a downside to that. And I recently met with a group of concerned parents who feel

that in the effort to help those children at risk, that the average and above-average students are being neglected, in fact to the point where there is . . . 20 families are busing 36 students to the neighbouring school in Raymore, and these parents are paying the cost of busing their children to Raymore.

Now the parents . . . and the reason the parents took this drastic step . . . This, Mr. Minister, has been going on for at least two or three years now, and it's creating a number of problems for the students and the parents and, I believe, the community. The reason that the parents took this step is that they felt, as I'd indicated, in an effort to help the children at risk that their children were being neglected and, at best, they were only being offered the bare minimum as far as curriculum and programming within the school. And they felt that in today's competitive environment, and education being such an important part of their children's future, that they had no alternative but to take the drastic action and have their children attend the school in Raymore.

Now I should mention that both communities are within the same school division, but as you are . . . I'm sure you're aware when students start leaving the one attendance area to attend a school in another attendance area, school boards are already providing busing to Punnichy and therefore they just felt that they couldn't provide the additional busing to Raymore.

Now, Mr. Minister, this is a very difficult situation for these people. They don't want to be accused of forsaking their community. The only thing that these parents have is the best interests of their children and their children's education. And at the meeting that I attended with some 20 parents, we tried to search for solutions and really we couldn't come up with any real solutions, and that group of parents has asked me to bring this to your attention and for you to use the resources of your department to address this problem.

And I would make a suggestion, Mr. Minister, that perhaps may be of some value. When we're looking at designating schools in rural Saskatchewan as community schools, perhaps we have to look at a larger area, encompassing maybe perhaps two or three schools. There's a number of schools in urban Saskatchewan now that have a larger student body and have more flexibility in programming and all those sorts of things, where in a rural school you don't have the student numbers to warrant the flexibility. It's impossible to offer all of the alternatives. So what happens is that all students kind of sink to the lowest denominator and that sort of thing.

So, Mr. Minister, as I said, I would . . . I've been asked to bring this to your attention and I would like a commitment from you just to look into this very serious problem and see if there is some very practical solutions that can be . . . that you can come up with to address this problem.

**Hon. Mr. Melenchuk:** — Mr. Deputy Chair, I think that that's an excellent idea in terms of a regional basis with regard to community schools and I'm going to ask my officials to look into that.

Certainly when we talked about School<sup>PLUS</sup> and we talked about community schools, the reality is that, generally speaking, community school designation provides additional resources to

that school, meaning there's additional dollars allocated and that there's also the ability to interact with other departments in terms of support. And you're right; those support structures may possibly work better on a regional basis in rural Saskatchewan than with an individual community school designation. So I will be asking my officials to look into that.

**Mr. Hart:** — Mr. Minister, I certainly thank you for that reply and I guess the only question that I would have is, is there a . . . could we have a commitment as far as a time frame as to when you will come up with some workable solutions for this particular situation?

And I would imagine, Mr. Minister, that this situation probably exists in other parts of the province or will arise in other parts of the province as the move to community school . . . more community schools occurs in rural Saskatchewan.

**Hon. Mr. Melenchuk:** — Certainly, the time frame would be as we get into the budget development process leading up to next year's budget.

But just to let the member opposite know that we already look at our community school designation on a more regional basis in northern Saskatchewan.

And because the application of the community school designation to rural Saskatchewan and to the high school system is relatively new — we're talking about an experience of only a year and a little bit — that this is an evolving process and, as we've discussed with our School<sup>PLUS</sup> model, that this is an ongoing project with an evolution that will depend on, you know, the unique circumstances of those communities.

So the answer is yes, we will look at it for rural Saskatchewan and we will do it over the course of the next 7 to 10 months.

**Ms. Draude:** — Thank you, Mr. Deputy Chair, and to the minister. Mr. Minister, I was waiting to hear you say that the term community school has really changed to School<sup>PLUS</sup> because what they have then is the opportunity to have not just schools that have some of the requirements . . . or that are based on the requirements of the community school right now — that being lower income, single parents, that type of thing — whereas School<sup>PLUS</sup> means that every school in an area will be treated differently or have some opportunities because of where they're sitting. And that means that gifted children or the average child will be given the same opportunities.

And really this is what . . . the reason why I have been trying for the last seven weeks to have a discussion about the Role of the School in private members' day is because I believe that this is a good issue. We wouldn't be bringing schools down to a lower common denominator; we would be giving every school the opportunity to be the best they could be for the students in their community.

But the one issue that I'm very concerned about in your . . . the budget this year, and in your response to the role of the school is the fact that what's going to be required is the dollars. *Securing Saskatchewan Future* was signed by Social Services, Education, Intergovernmental Affairs, Health, and Youth and Recreation, and they're all making a commitment to making

this project work. But what they're not doing is committing the funding.

Mr. Minister, we have . . . In order to make this issue really work, we're going to have to have a commitment, not just by the department to say yes, we want to have this work, but we're going to have to have a commitment that the funding is going to follow the responsibilities.

When I've talked to the school boards across the province about the Role of the School they say, hey, it's a great idea, but don't ask me to carry on more responsibility than I have right now with the same dollars. And that's the huge issue, Mr. Minister.

So I think that what we have to discuss, being that we don't have an opportunity to have a long debate about School<sup>PLUS</sup>, is I have to have an assurance from your department that the recognition is going to mean dollars from various departments or from some part of your government to make sure that this whole report can be carried forward and that's going to mean dollars.

So what type of commitment are you considering making? Are you recognizing that health care, Justice, Social Services, Intergovernmental Affairs, all the rest of them — the work that the schools are doing right now more or less, because they're forced into it — if they're going to be given the recognition for doing it, they have to have the dollars? And what are you going to be doing to ensure this can happen?

**Hon. Mr. Melenchuk:** — Thank you, Mr. Deputy Chair. Certainly the member opposite asks a very good question and makes a very good point.

We're very proud of the interdepartmental initiatives on School<sup>PLUS</sup>. We have had six ministries sign the government response to the Role of the School report that we have a paradigm shift. And the Government of Saskatchewan has endorsed the two . . . dual role of schools now where they will be required to educate children and youth in the province of Saskatchewan, but also that they will serve as service centres for integrated schooling services that will involve these ministries.

(23:00)

Now to implement this, we have adopted and changed the mandate of the Saskatchewan Council of Children and Youth which will be the overseer body to see how the implementation of School<sup>PLUS</sup> is occurring. But we also have created a forum of associate deputy ministers of all of these six departments that will be looking at how their particular departments can adopt within their core budgetary allotments funding for School<sup>PLUS</sup> initiatives. So these will all be incorporated into the strategic plans of these departments. There will be core dollars assigned to these departments as we roll out the complete implementation.

This is something that won't happen overnight, of course. This is something that we'll be involved in many, many years, and that evaluation will be on an ongoing basis, and this is about building capacity in our school systems to meet the needs as identified by the Tymchak report.

So in essence it's a threefold plan but it really does mean that various departments will be adopting the Role of the School philosophy in their core budget allocation. Thank you.

**Mr. Hart:** — Thank you, Mr. Chair. Mr. Minister, last time we discussed estimates of Learning, I'd asked you if the negotiations were completed as far as the Saskatchewan university funding mechanism and you'd indicated at that time that you were very close.

I wonder if you're any closer tonight than you were some two weeks ago or more, Mr. Minister. Have the negotiations been completed and if so could you provide the details of the additional funding to each university?

**Hon. Mr. Melenchuk:** — Thank you, Mr. Deputy Chair. It's a very timely question because we were just discussing this earlier today. I would say that we're getting close; I would suspect that we're within a week or so. And I would like to say that we were able to say that we finally have agreement between the universities and the federated colleges on a permanent funding mechanism.

As the member opposite is aware, we had the MacKay report, we've had DesRosiers, we've had give and take from the university sector, there's been an implementation cycle, and now we're at the point where we're . . . we've got most of the package together but there's a few more bits of fine tuning that needs to be done. But we're really close.

**Mr. Hart:** — Thank you, Mr. Minister. And I hope that you are getting close. We are moving along in the fiscal year, and it would be . . . I'm sure all the post-secondary education institutions would be happy to see this process come to a conclusion, hopefully before the end of the fiscal year, Mr. Minister.

I'll just turn my brief question . . . I was contacted by the Saskatchewan Trucking Association and their concern was that they have the capacity to provide the instruction for IA driving training and that sort of thing, and they feel that they can offer that service at a considerably less cost than what SIAST is offering it for, Mr. Minister.

And I'm wondering if your department is looking at perhaps partnering with the industry to provide the additional training in lieu of the fact that there is an ongoing and increasing need for that type of training service.

**Hon. Mr. Melenchuk:** — When we look at the private training available for the trucking industry, we have noticed an expansion of the number of private training opportunities available and a corresponding reduction in terms of the SIAST training programs. So we really do have a mix of SIAST training, with regard to the trucking industry, but also private trainers. And I think that the member opposite may want to ask a follow-up question with regard to that specific example.

**Mr. Hart:** — Mr. Minister, I wasn't quite . . . I didn't quite hear your entire response, so I'm going to have to pass on your offer to ask that extra question. The hour is getting late, and we have a number of topics to cover yet before we conclude our estimates, and so I think I'll just move on very quickly to

another area, and that is student loans.

I've been hearing from various . . . from the student unions of both campuses at our universities that with the increasing tuition costs and the ever-increasing costs of education that there really needs to be a . . . the cap on the maximum student loan needs to be increased, Mr. Minister. The information that I have is currently the maximum assistance on a per week of study is . . . ranges from \$275 to \$400 per week. Is your department looking at increasing that level, and if so, to what level would you increase it, and what kind of additional cost would you be looking at if increases, in fact, were put into effect?

**Hon. Mr. Melenchuk:** — Thank you, Mr. Deputy Chair. When we look at the student loans in the province of Saskatchewan, I think the member opposite recognizes that this is a fully integrated Canada-Saskatchewan Student Loan Program. And the funding formula for student loans is 60/40, so it's a 60 per cent federal contribution and a 40 per cent provincial contribution. So for a single student who qualifies for the maximum debt and also debt reduction — of course that's factored in — it's \$275, and for an individual with dependants, it would be 400.

Because of the integration of our program, this is an issue that the forum of associate deputy ministers across Canada is currently working on in terms of increasing the cap, and we do have . . . I've received some questions from both student unions. We do have a committee that has representation from the student union that this is an issue that they have also discussed, and having met recently with that particular group, this was a request that we looked at increasing the cap, and we are working on it on a national basis, and when we come to a resolution, then we'll make that announcement.

**Mr. Hart:** — Mr. Minister, what time frame do you anticipate these discussions to take place? Will the students be looking at some increases in the student loans within the next calendar year or do you anticipate that it may take longer than that?

As I'd indicated, we've seen some pretty significant increases in tuition fees in the last couple of years and it really is placing quite a burden on students. And it's certainly . . . it is a loan and students are certainly willing, reluctantly willing to accept more student debt in pursuit of higher education, Mr. Minister.

And I guess the students would like to know what sort of time frame they may be looking at before they can access additional funds.

**Hon. Mr. Melenchuk:** — Mr. Deputy Chair, there's a national ADM forum meeting that will occur in August, late August of this year. And because of the usual sort of timelines in terms of budget development, I would expect that any announcements with regard to changes to the Canada-Saskatchewan student loan program would be announced in next year's budget.

**Mr. Elhard:** — Thank you, Mr. Chairman. Mr. Chairman, I'd like to approach a different subject with the minister now, if we could, for a short while. Contrary to the assertions made by the Minister of Industry and Resources earlier in this session, we don't all on the opposition side take opportunities to chase

young people out of the province.

In fact, what I have done the last couple of years is write letters of congratulations to each of the graduating grade 12 students in my constituency. And after complimenting them on their stick-to-it-iveness and their willingness to work towards good grades, I've said when you are looking at advancing your education, please consider Saskatchewan. Look at the opportunities for education that we provide here, and if for some reason you can't find the program you want, remember Saskatchewan is the place where you were educated and where you can contribute in a substantial way in the future. This province needs young people. I don't think anybody would disagree with that.

Well, Mr. Minister, in response to those letters that I have sent out to the graduating students, I've had a number of responses from both students and parents alike. And I believe that one of these letters actually went to your office and I want to thank you for responding as quickly as you did. But the parent writes me and says:

Last year, you sent a letter to our daughter congratulating her on her graduation. You also encouraged her to consider taking her education in Saskatchewan and to consider remaining here to work. Well our daughter wanted to be a dental hygienist, but she was put on a five-year waiting list at SIAST in Regina.

And she goes on to explain some of the problems with that. And as you can understand, no graduate is going to hang around five years waiting to get into a program with SIAST.

And we have another situation here where a young lady was responding to my letter and she said that:

I'm glad you concluded your letter with an appeal to remember Saskatchewan. I would've liked to continue my education in Saskatchewan, however, when I applied in the course of dental assisting it was only offered in Regina.

She goes on to say that she applied also in Manitoba and Alberta and was immediately accepted in the province of Alberta, and as was the earlier individual that I referred to.

So here we have a situation where young people want to stay in this province; they want to continue their advanced education in this province. And I'm assuming from the contents of these two letters that these young people were prepared to stay in the province as professional practitioners and contribute to our economy and to the very basic health requirements of the people of this province as professional practitioners. I guess having looked at your response where you say that SIAST has changed some of the way it informs applicants now, and they won't any longer be told that the waiting lists are going to be five years as a minimum, you were saying that you recognize this as a problem.

Mr. Minister, as I see it, the problem here if we're only going to train 24 people in this program per year, we would rather send young people out of the province uneducated than to train them here and have them leave as educated professionals. Neither of those options, frankly, is very appealing to the young people of

this province and to anybody in a position of responsibility.

Will you undertake, Mr. Minister, to make sure that young people who want to get their education here will have the opportunity to do so as quickly as possible to try and stem the outflow of young people leaving this province?

**Hon. Mr. Melnychuk:** — Mr. Chair, when we look at SIAST and the provincial board that is responsible for the four camp . . . (inaudible) . . . that in reality decisions made on the types of courses offered are made in the global context of the province of Saskatchewan. And when they look at the labour market demands for a dental hygienist, for example, they are providing the number of spots that would meet the demand of the labour market of Saskatchewan. They look at their courses on an annual basis. They're incorporated into their five-year business plans and also their annual operating plans, and if they see that there's an increased need based on the labour markets that they're providing training opportunities for, then they would correspondingly increase the number of positions available.

For the current year it's my understanding that the class of 24, even though the number of applications are large and that dental hygienist is a sought after career, the provincial marketplace just would not support more than 24 graduates at this point in time.

And I'm quite pleased that the ministry of Industry and Resources didn't take the member opposite up on his little jaunt at the start there. Perhaps he's learned his lessons from the other day.

**Mr. Hart:** — Thank you, Mr. Chair. Minister, I recently received a letter from Miss Sandra Flood, the Chair of the Saskatchewan Craft Council expressing some concerns with the closure of the ceramics program at the Woodland campus of SIAST. The council is very concerned that this program was closed in, as I said, a very short notice, a one-week period.

Apparently the council was a part of the initiation and provided advisory services in setting up the program and they feel it's a very worthwhile program. It's a unique program that according to the letter may not be offered elsewhere. I would like to read to you the last paragraph of the letter:

The Saskatchewan Craft Council would like to know the reasons behind the decision to close the Woodland ceramic program and why it was done at such speed and with such lack of transparency. It would also encourage a reassessment of the decision.

And I would like you to respond to that, Mr. Minister, and also I would add a question of my own in that is there an opportunity for those students who are . . . were enrolled in the program to complete at least their academic year? I understand from the information I've been given that this program was cancelled, as I had said, on very short notice. And I am not quite clear whether the students that were enrolled in this academic year in the programs will be . . . have an opportunity to at least complete this academic year.

**Hon. Mr. Melnychuk:** — Mr. Chair, first off, the program in ceramics at SIAST was under subscribed and enrolments were

dropping, so the decision by the SIAST board to discontinue that program was based on the reality that the number of students that were looking for that course content was dropping, and dropping rapidly.

I certainly have asked my officials and they have indicated to me that with regard to the program itself, which was a two-year program, that if there are students who might be disenfranchised with regard to that second year, that I will have my officials discuss this with SIAST to make sure that they are taken care of.

**Ms. Draude:** — Thank you, Mr. Chairman. Mr. Minister, again I'm pleased that you brought the representative along that can talk to us about libraries because in the budget I was quite interested to see that libraries had been moved from Municipal Government to Learning and I thought that this was something that would be really beneficial and a good use of dollars and less duplication when it came to the library system.

So I brought the discussion up when the minister of Municipal Affairs was here and he told me that I'd have to ask my questions to you, but he did tell me that really there is just a movement of the dollars and that libraries are still sitting by itself, and really there is no integration into the school system. I think we've missed a huge opportunity here to do some dollar savings and make a better use of the library system itself.

So can you tell me, is your department considering any way to actually integrate the library system into the school system or is it still going to be just a stand-alone project that's just funded through your department instead of through municipal government?

**Hon. Mr. Melnychuk:** — Mr. Chair, certainly we're not opposed to the concept of integration. In fact, there is a process outlined in the regional libraries Act that allows for exactly that. And what we require is that they are willing partners and that there is a signed agreement and, for example, Tisdale has already undergone this process, but I would encourage other jurisdictions to look at integrating their services. This is new in terms of the Department of Learning to have responsibility for the provincial libraries and I would look forward to seeing enhancements as we move into next budget cycle.

**Ms. Draude:** — Thank you, Mr. Minister. Another issue that's of the concern to a number of school boards, especially in the cities, is the number of high-school dropouts and the number of hidden children in the system. And doing some of the estimates and some of the documentation I've received, your department has been considering looking at a PIN (personal identification number) number or student identification number so we can track these students.

Can you tell me what . . . where you are in this process?

**Hon. Mr. Melnychuk:** — Mr. Chair, we are implementing a student tracking system. This was one of the recommendations of the Role of the School's final report. This is something that the government has endorsed. We have very good co-operation from the FSIN and the target for full implementation is September 2003.

**Ms. Draude:** — Thank you, Mr. Minister. One of the other issues that I noticed in the budget is the fact that we now have Early Childhood Development under Learning, and there's \$73 million coming from the federal government over the next five years for this initiative. Can you tell me what the Department of Learning will be spending their \$15 million a year on when it comes to dealing with children that are in Early Childhood Development, or is part of the money going into the Department of Health as well?

**Hon. Mr. Melnychuk:** — Mr. Chair, the Early Childhood Development initiative is an interdepartmental initiative involving Health, Social Services, and Education. K to 12 Education is previously stand alone. With the new Department of Learning, we have the early childhood development or Kids First initiative. We have the K to 12 system. We have the post-secondary and skills training initiative, and the regional libraries minus the career and employment centres which have been transferred out to Social Services.

So early childhood development, interdepartmental initiatives spread over three departments, I think, the allocation for all three departments was a little over \$9 million this year. The phase-in time of the federal dollars of the 73 million is more likely going to be spread out over six years because of the lag time in terms of the community development model initiative.

The areas that are targeted are core neighbourhoods, high-risk areas. And the primary support within the Department of Learning in terms of the dollars allocated would be going into things like early learning centres, expansion of pre-kindergarten, and things like that.

**Ms. Draude:** — Mr. Minister, I appreciate this answer. The last question I have is on the graduation rate for our native students, and we've been reading a lot of reports lately on the fact that there's a way to . . . few Aboriginal students are actually graduating, and I know that there are a number of schools on the reserves now, and so we're hopeful that this will encourage students to stay in school. But we also have a large Aboriginal population that are attending public school systems. And I know that the numbers of . . . the drop-out numbers in that system is high.

What are you doing, what initiatives is your department working on to ensure that we have a graduation, higher graduation numbers of all students in this province?

**Hon. Mr. Melnychuk:** — Mr. Chair, Aboriginal education is one of the major strategic initiatives undertaken within the department's strategic plan.

Currently with regard to curriculum development, we are working with the Treaty Commissioner. We are accessing all curriculum. We are looking at language curriculum with the P.A. (Prince Albert) Grand Council. We are also working with the WCNP Aboriginal languages, and also English as a second language in the North, we're providing additional funding.

We're also looking at alternate programs at several . . . in collaboration with several First Nations, including Flying Dust, the North Battleford Aboriginal school, and the Regina Public partnership, just to name a few. And within our Community

Schools, we have our elders program, our pre-kindergarten, and our northern and rural initiatives.

With regard to the high school dropout rates, I think the member opposite is aware of the StatsCanada report that came out in January that shows Saskatchewan with the lowest high school dropout rates in Canada, and a decrease from the 1991 census, which has the high school dropout rates in Saskatchewan at 16 per cent, we're down to 9 per cent. And that is the lowest high school dropout rate in Canada.

And that is I think in part to the initiatives that we have been incorporating with regard to Community Schools, but also the number of initiatives that we're continuing to engage. And with the tracking system that will be fully implemented in September 2003, I think we're going to have a very good handle in the hidden youth problem that was identified by Michael Tymchak in the Role of the School final report.

But I agree with the member opposite that a high school dropout is a concern to all of us and that we'll do whatever we can in our initiatives to make sure that we provide the opportunity and the resources to support our secondary students so that they can complete their high school education.

**Ms. Draude:** — Thank you, Mr. Minister. Mr. Chair, I am sure the minister is aware that the lowest high school dropout rate that he is discussing, the report in January, didn't include the dropout rate on reserves, and that was something that was a concern to a number of people, so it really wasn't giving accurate numbers, Mr. Minister.

I am sure that before we . . . if we have an opportunity to ask questions again before an election is called, I'm going to be interested to see what your department has done with the School<sup>PLUS</sup> initiative and the initiative of interagency co-operation.

But in the meantime, Mr. Minister, I would like to thank your officials for their help tonight, and for yourself as well.

**Hon. Mr. Melnychuk:** — Mr. Chair, I too would like to thank the members opposite for the quality of their questions this evening, and the diversity of the questions. And to my officials, who provided the answers and all I had to do was relay them to the members opposite, I'd like to thank all of them this evening as well. Thank you.

Subvote (LR01) agreed to.

Subvotes (LR02), (LR03), (LR08), (LR11), (LR12), (LR13), (LR15), (LR04) agreed to.

**General Revenue Fund  
Lending and Investing Activities  
Learning  
Vote 169**

Subvote (SA01) agreed to.

**General Revenue Fund  
Lending and Investing Activities  
Education Infrastructure Financing Corporation**

**Vote 170**

Subvote (ED01) — Statutory.

Vote 5 agreed to.

Vote 169 agreed to.

**General Revenue Fund  
Lending and Investing Activities  
Information Services Corporation of Saskatchewan  
Vote 159**

Subvote (SL01) — Statutory.

The committee reported progress.

The Assembly adjourned at 23:35.