



FIRST SESSION - TWENTY-EIGHTH LEGISLATURE

of the

**Legislative Assembly of Saskatchewan**

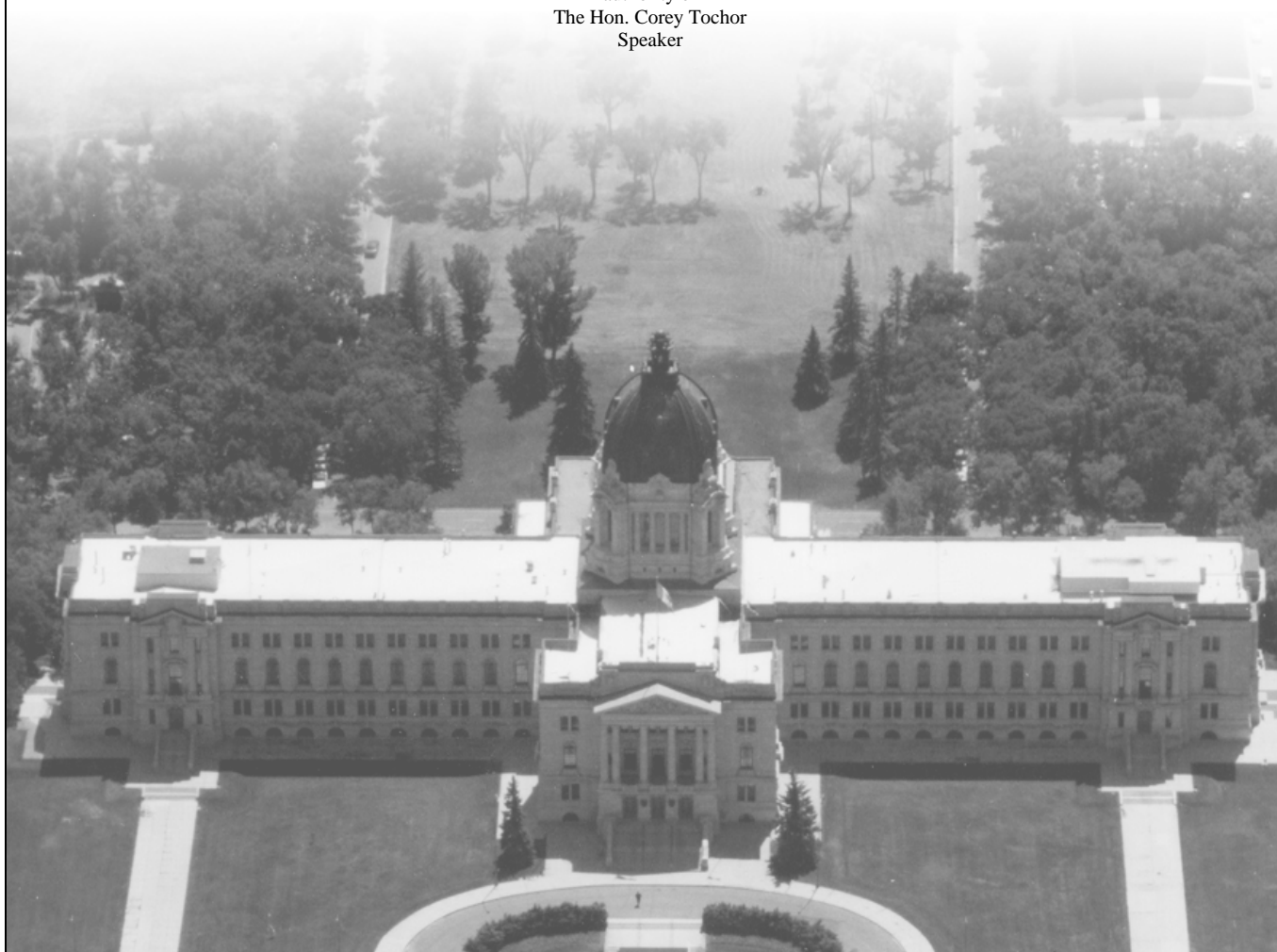
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**DEBATES  
and  
PROCEEDINGS**

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(HANSARD)

Published under the  
authority of  
The Hon. Corey Tochor  
Speaker



**MEMBERS OF THE LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**1st Session — 28th Legislature**

**Speaker** — Hon. Corey Tochor

**Premier** — Hon. Brad Wall

**Leader of the Opposition** — Trent Wotherspoon

**Beaudry-Mellor**, Tina — Regina University (SP)

**Beck**, Carla — Regina Lakeview (NDP)

**Belanger**, Buckley — Athabasca (NDP)

**Bonk**, Steven — Moosomin (SP)

**Boyd**, Hon. Bill — Kindersley (SP)

**Bradshaw**, Fred — Carrot River Valley (SP)

**Brkich**, Greg — Arm River (SP)

**Buckingham**, David — Saskatoon Westview (SP)

**Campeau**, Hon. Jennifer — Saskatoon Fairview (SP)

**Carr**, Lori — Estevan (SP)

**Chartier**, Danielle — Saskatoon Riversdale (NDP)

**Cheveldayoff**, Hon. Ken — Saskatoon Willowgrove (SP)

**Cox**, Hon. Herb — The Battlefords (SP)

**D'Autremont**, Dan — Cannington (SP)

**Dennis**, Terry — Canora-Pelly (SP)

**Docherty**, Hon. Mark — Regina Coronation Park (SP)

**Doherty**, Hon. Kevin — Regina Northeast (SP)

**Doke**, Larry — Cut Knife-Turtleford (SP)

**Duncan**, Hon. Dustin — Weyburn-Big Muddy (SP)

**Eyre**, Bronwyn — Saskatoon Stonebridge-Dakota (SP)

**Fiaz**, Muhammad — Regina Pasqua (SP)

**Forbes**, David — Saskatoon Centre (NDP)

**Hargrave**, Joe — Prince Albert Carlton (SP)

**Harpauer**, Hon. Donna — Humboldt-Watrous (SP)

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**Hart**, Glen — Last Mountain-Touchwood (SP)

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**Kaeding**, Warren — Melville-Saltcoats (SP)

**Kirsch**, Delbert — Batoche (SP)

**Lambert**, Lisa — Saskatoon Churchill-Wildwood (SP)

**Lawrence**, Greg — Moose Jaw Wakamow (SP)

**Makowsky**, Gene — Regina Gardiner Park (SP)

**Marit**, David — Wood River (SP)

**McCall**, Warren — Regina Elphinstone-Centre (NDP)

**McMorris**, Hon. Don — Indian Head-Milestone (SP)

**Merriman**, Paul — Saskatoon Silverspring-Sutherland (SP)

**Michelson**, Warren — Moose Jaw North (SP)

**Moe**, Hon. Scott — Rosthern-Shellbrook (SP)

**Morgan**, Hon. Don — Saskatoon Southeast (SP)

**Nerlien**, Hugh — Kelvington-Wadena (SP)

**Olauson**, Eric — Saskatoon University (SP)

**Ottenbreit**, Hon. Greg — Yorkton (SP)

**Parent**, Roger — Saskatoon Meewasin (SP)

**Phillips**, Kevin — Melfort (SP)

**Rancourt**, Nicole — Prince Albert Northcote (NDP)

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**Ross**, Laura — Regina Rochdale (SP)

**Sarauer**, Nicole — Regina Douglas Park (NDP)

**Sproule**, Cathy — Saskatoon Nutana (NDP)

**Steele**, Doug — Cypress Hills (SP)

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**Stewart**, Hon. Lyle — Lumsden-Morse (SP)

**Tell**, Hon. Christine — Regina Wascana Plains (SP)

**Tochor**, Hon. Corey — Saskatoon Eastview (SP)

**Vermette**, Doyle — Cumberland (NDP)

**Wall**, Hon. Brad — Swift Current (SP)

**Weekes**, Randy — Biggar-Sask Valley (SP)

**Wilson**, Hon. Nadine — Saskatchewan Rivers (SP)

**Wotherspoon**, Trent — Regina Rosemont (NDP)

**Wyant**, Hon. Gordon — Saskatoon Northwest (SP)

**Young**, Colleen — Lloydminster (SP)

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**Party Standings:** Saskatchewan Party (SP) — 51; New Democratic Party (NDP) — 10

**Clerks-at-the-Table**

**Clerk** — Gregory A. Putz

**Law Clerk & Parliamentary Counsel** — Kenneth S. Ring, Q.C.

**Principal Clerk** — Iris Lang

**Clerk Assistant** — Kathy Buriandyk

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[The Assembly met at 13:30.]

[Prayers]

## ROUTINE PROCEEDINGS

### INTRODUCTION OF GUESTS

**The Speaker:** — I recognize the Minister of Corrections and Policing.

**Hon. Ms. Tell:** — Thank you, Mr. Speaker. I rise today to introduce to you and through you and to all members of this Legislative Assembly, the staff from Foxvalley Counselling. Seated in your gallery, Mr. Speaker . . . Oh, first of all, can I beg forgiveness, please? I'd like to ask for an extended introduction.

**The Speaker:** — Leave granted?

**Some Hon. Members:** — Agreed.

**Hon. Ms. Tell:** — Okay. In your gallery, we have Mark Fox — Mark, can you just wave? — Pam Fox, Brady O'Watch, Darrell Klyne, Remi Mike, Eddy Missens, Calvin Pelletier, Susanna Tuck, Laura Gunn, Chelsey Missens, Tammy Huget, Janis McNaughton, Kaylita Favel, Alida Moffatt.

And I see Mr. Ross Pratt sitting up there too. I don't know if you're part of this, but hello and welcome, Ross. I knew he was, at one point in time for sure.

They are joining us here today, Mr. Speaker, because earlier today I had the honour to take part in a pipe ceremony with the staff from Foxvalley, officials of the healthy families unit, and Elder Calvin Pelletier followed by a signing ceremony on the significant initiative for the Government of Saskatchewan.

There will be more to come later, Mr. Speaker. But until then, I ask all members to join me in welcoming this fine group to their Assembly.

**The Speaker:** — I recognize the member from Regina Douglas Park.

**Ms. Sarauer:** — Thank you, Mr. Speaker. To you and through you and to all members of this Legislative Assembly, I'd like to join with the minister in welcoming all the folks from Foxvalley Counselling.

I understand we're going to hear a little bit more about their program and what they do for the community shortly in a minister's statement after other proceedings. But I'd just like to take this opportunity to join with the minister and ask that all other members join me in welcoming them to their Legislative Assembly.

**The Speaker:** — I recognize the Minister of Rural and Remote Health.

**Hon. Mr. Ottenbreit:** — Thank you, Mr. Speaker. To you and through you to all members of the Assembly, it's my pleasure

to introduce a great group of 36 grade 10 students from the Yorkton Regional High School.

Their teachers, Mr. Perry Ostapowich and Mr. Chad McDowell, are with them, and again Mr. Pat Rawlick, the bus driver, is out in the bus. But as is tradition, some of the students will contact me with some questions and we correspond over the Internet or whatever the case might be, and I usually give them an honourable mention. So a few that have contacted me this time are Cameron Zamonsky, Madeline Benneke, Matthew Mandziuk, Amy Schmalz, Anastasia Prisyedko, Sydney Popowich, and Briana Balaybuck. I'd ask all members to welcome them to their Legislative Assembly.

**The Speaker:** — I recognize the Opposition House Leader.

**Mr. McCall:** — Thank you very much, Mr. Speaker. I'd just like to join with the Minister for Corrections and Policing and the official opposition Justice critic in welcoming the group from Foxvalley here to their Legislative Assembly, to say congratulations on all the good work that is done, and certainly to say a special thank you to Mark and Pamela Fox and to Elder Calvin Pelletier for lifting the pipe this morning, getting things off in a good way.

And just to say, in the person of Mark Fox, you've got someone who's not just a good old ballplayer, but certainly someone who's done a lot with his life to make a difference in other lives, and I know that in a lot of different ways, Mr. Speaker. But it's really good to see them here today at their Legislative Assembly, so I'd again ask all members to welcome these important individuals to their Legislative Assembly.

**The Speaker:** — I recognize the member from Saskatoon Centre.

**Mr. Forbes:** — Thank you very much, Mr. Speaker. I rise today to introduce three important guests who are seated in your gallery. Unfortunately I can't see them though from where I am, but I know they're up there. Autumn Bourque and Stephanie Cox, they're the Co-Chairs on the board of TransSask Support Services. Also Autumn is the treasurer of Queen City Pride here in Regina. And they're here as well as Laura Budd of Kelliher who's a gender diversity consultant. But more importantly these folks are here to witness the passage of Bill 27, *The Vital Statistics Act* that we'll be dealing with later on today.

So I would ask all members to warmly welcome these three folks to their gallery here today. Thank you.

**The Speaker:** — I recognize the Attorney General.

**Hon. Mr. Wyant:** — Thank you, Mr. Speaker, Mr. Speaker, I'd like to join with my friend across the way to welcome the guests from the trans community who are here with us today. Certainly their advocacy is one of the reasons that we are here today, that we'll be bringing forward some very important legislation on the floor of the House today with the co-operation of our friends across the way. So, Mr. Speaker, I'd like to welcome them to our legislature and ask everyone else to join them as well.

**The Speaker:** — I recognize the Leader of the Opposition.

**Mr. Wotherspoon:** — Request leave for extended introduction, Mr. Speaker.

**The Speaker:** — Is leave granted?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Carried.

**Mr. Wotherspoon:** — Thank you, Mr. Speaker. Certainly I want to join with members opposite and the minister opposite and welcome Foxvalley here today. Thank you for the ways that you enrich our community and the lives of many.

I'd also like to join with hon. . . . the minister and with the member from Saskatoon Centre to welcome Laura Budd, Stephanie Cox, and Autumn Faith Bourque to their Assembly here today, both for the legislation that's passed, but also with respect to just the very tragic and horrendous attack of terror and hate that we, that the people across . . . well that people were subjected to in Orlando. And that certainly has a ripple effect across the world. And so I welcome these leaders within our LGBT [lesbian, gay, bisexual, and transgender] community to their Assembly here today, Mr. Speaker.

I'd also like to welcome Aidan Wotherspoon. We can't figure it out if he's a fourth or a fifth cousin of mine but he must be a fair bit removed because he's a pretty good-looking guy. He's of the Melville Wotherspoon clan for certain. And he's an avid runner, I know, preparing for the Queen City Marathon. He works in water management. He's an all around good guy and I got to spend an awful lot of time with him in this last election. He spent a lot of time on the doorstep with me, and he's a committed guy who's passionate, caring, and it was my pleasure to work closely with him through that period of time.

I ask all members to join with me in welcoming Aidan and these other fine members to their Assembly.

### PRESENTING PETITIONS

**The Speaker:** — I recognize the member from Saskatoon Riversdale.

**Ms. Chartier:** — Thank you, Mr. Speaker. I'm pleased to rise again today to present a petition to improve PTSD [post-traumatic stress disorder] coverage for Saskatchewan workers. And, Mr. Speaker, these petitioners point out that post-traumatic stress disorder has a very real impact on the lives of Saskatchewan workers and they're proposing that PTSD become a presumptive illness under workers' compensation, Mr. Speaker. I'd like to read the prayer:

We, in the prayer that reads as follows, respectfully request that the Legislative Assembly of Saskatchewan take the following action: to cause the Saskatchewan government to make the necessary changes to ensure that if Saskatchewan workers are exposed to traumatic events on the job and are then diagnosed with PTSD, it is presumed to be caused by the worker's employment and the worker will subsequently be covered under workers' compensation and receive the

same benefits as others with work-related injuries.

Mr. Speaker, this petition is signed today by citizens of Saskatoon and Moose Jaw. I so submit.

**The Speaker:** — I recognize the member from Saskatoon Nutana.

**Ms. Sproule:** — Thank you, Mr. Speaker. I rise to present a petition to the Government of Saskatchewan. They wanted to bring to our attention the following: that *The Surface Rights Acquisition and Compensation Act* is an old and outdated piece of legislation that remains largely unchanged despite amendments over the years, that is in desperate need of modernization to reflect the current challenges that farmers and ranchers are facing today. I'd like to read the prayer:

We, in the prayer that reads as follows, respectfully request the Government of Saskatchewan to introduce legislation that would modernize *The Surface Rights Acquisition and Compensation Act*, classify land valued as industrial rather than agricultural when oil and gas development takes place, removing pipelines and flow lines from the surface rights Act, and establish a new maximum in compensation to be paid for damages.

Mr. Speaker, the individuals who have signed this petition are from the city of Saskatoon. I so submit.

**The Speaker:** — The member from Saskatoon Centre.

**Mr. Forbes:** — Thank you very much, Mr. Speaker. Today I rise to present a petition in support of funding for heritage languages here in Saskatchewan. And we know that after 25 years the Government of Saskatchewan is discontinuing all support for heritage language learning here in Saskatchewan. And since 1991, heritage language schools have depended on this modest funding from the Minister of Education to help sustain their programs.

The heritage language schools contribute to the retention of immigrants in Saskatchewan by helping people to maintain their culture, identity, and traditions while at the same time learning about a Canadian way of life. Furthermore, studying additional languages offers many benefits for all Canadians, especially in today's growing international markets.

Mr. Speaker, I'd like to read the prayer:

We, in the prayer that reads as follows, respectfully request that the Legislative Assembly of Saskatchewan take the following action:

Wherefore your petitioners humbly pray that your honourable Legislative Assembly call on this government to reconsider this decision and restore funding for heritage language education in Saskatchewan heritage language schools.

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

And, Mr. Speaker, the people signing this petition today are from Saskatoon. I do so present. Thank you.

## STATEMENTS BY MEMBERS

**The Speaker:** — I recognize the Leader of the Opposition.

## Standing Against Hatred and Violence

**Mr. Wotherspoon:** — Mr. Speaker, over the last few weeks I, along with many members in this House, have taken time to attend Pride events across Saskatchewan, in Moose Jaw, Saskatoon, Regina, Beatty's, Okemasis, Swift Current, and Prince Albert. Members of the LGBT community and their allies have been coming together to celebrate diversity, but also to show solidarity and fight for human rights.

In the last few years, some have asked whether or not Pride events are still relevant after so many victories and so many years of progress. Tragically this weekend's horrifying attacks of terror and hate in Orlando highlight the terrible reality that homophobia and transphobia are still very real, and the consequences can be deadly.

We all need to come together and fight alongside the LGBT community so that we can stamp out this hatred and violence. We need to call out homophobia and transphobia. We need to challenge those who say that the status quo is good enough. And we need to make sure that every student has the legislated right to build and find community through forming a GSA [gay-straight alliance] in their school if they want one.

Mr. Speaker, I am asking all members to join me in expressing solidarity with members of the LGBT community. It's understandable that they may be feeling a little less safe and a little less free today. Mr. Speaker, love is love is love is love, so let's stand together and express care and love for one another. Thank you, Mr. Speaker.

**The Speaker:** — I recognize the Minister in charge of Parks, Culture and Sports.

**Hon. Mr. Docherty:** — Thank you, Mr. Speaker. It is with great sadness that I stand in this Assembly to acknowledge the horrific events that took place in the Pulse nightclub in Orlando early on Sunday morning. Although the details are still coming in, this was a heinous and cowardly attack against the LGBT community, and all of us.

This was not just an attack on a nightclub. It was an attack against the rights and freedoms that have been so hard fought for, an attack on inclusion, an attack on human rights. Mr. Speaker, as Pride events and festivals take place throughout June, it is especially tragic as the lives of many were taken for no reason other than hate.

Last evening I was able to attend a vigil at the Q Nightclub along with colleagues from both sides of this House. It was a moving experience where candles were lit for victims, thoughts were shared about inclusion and diversity, and there was a spontaneous singing of "Amazing Grace" that moved us all. Allies and the LGBT community took part and the building was standing room only.

Mr. Speaker, there is no question that all members of this Assembly and the people of Saskatchewan stand firmly with the

victims and their families and friends. Indeed, Mr. Speaker, we stand against hate and stand with the whole LGBT community. Thank you.

**The Speaker:** — I recognize the member from Saskatoon Nutana.

## New Wheat Breeding Facility Opens at Pike Lake

**Ms. Sproule:** — Mr. Speaker, on Friday I had the pleasure to attend the opening of Bayer's new wheat breeding facility near Pike Lake. This state of the art facility will create up to 20 new jobs, many of them good-paying, high-tech jobs that our province needs to diversify its economy and become more resilient to the changes in the price of natural resources. This new 21,500-square-foot facility sits on 480 acres of farm land that will be used to grow and test the new wheat hybrids being developed. This facility represents a \$24 million investment by Bayer.

[13:45]

We know that modern technology is so important for the sustainability of agriculture. Mary Buhr, dean of the U of S [University of Saskatchewan] College of Agriculture told *The StarPhoenix*:

What we are literally doing is being able to grow more food with fewer inputs— like fertilizers and pesticides and gas to run tractors — and we get better-quality food and we get a greater variety of food.

Mr. Speaker, continued investment in crop science and biotechnology helps create good-paying jobs and helps our producers grow better food. The development of a high-yielding wheat hybrid that is resistant to disease will put wheat back on the map, and producers will benefit from the work that Bayer is committed to. We need to do so much more as a province to invest in these types of projects through the University of Saskatchewan and by attracting investment from seed companies like Bayer.

Mr. Speaker, I ask all members to join me in congratulating Bayer on the opening of this new facility and in thanking them for everything they do to help Saskatchewan producers to grow healthy food we all need. Thank you.

**The Speaker:** — I recognize the Government House Leader.

## Remembering Gordie Howe

**Hon. Mr. Cheveldayoff:** — Thank you very much, Mr. Speaker. The hockey community lost a legend, humanity lost a hero, and the province of Saskatchewan said goodbye to a son. Gordon Howe, born March 31st, 1928 in Floral, Saskatchewan passed away this Friday at the age of 88.

Known as Mr. Hockey, this legend played a remarkable 33 seasons over five decades of pro hockey. He was known as a humble man but when the puck dropped, he was a fierce competitor that wasn't afraid to throw his weight around. Hockey fans everywhere know what a Gordie Howe hat trick is. Whether after a game or on the street, Gordie Howe always

made a point to talk to everybody, sign every autograph, and personally respond to every piece of mail.

Mr. Speaker, one of my most treasured memories was at a Kinsmen dinner in Saskatoon only a few years ago. Gordie Howe, Wayne Gretzky, former prime minister Harper, and our Premier shared the stage. They shared a few laughs, a few tears, and everyone in the audience knew it was a moment that they would never forget.

Mr. Speaker, as long as there's heroes in hockey, he will never be gone. As long as parents have a lesson to teach their children, he will never be gone. Mr. Speaker, I ask all members of this House to join me in saying, rest in peace, Mr. Hockey. Rest in peace, Mr. Saskatchewan.

**The Speaker:** — I recognize the Government Whip.

### **Autism Speaks Canada Walk**

**Mr. Merriman:** — Thank you. Mr. Speaker, yesterday I had the opportunity to participate in the Autism Speaks Canada Walk with my daughter Courtney. Our team was called Courtney's Crusaders in her honour.

Mr. Speaker, Autism Speaks Canada was founded in 2005 and has grown into the world's leading autism science and advocacy organization. This important walk takes place in over 100 cities across North America to raise funds for research, services, advocacy, and awareness. Funds raised during the walk have gone towards training early childhood educators, helping newly diagnosed families navigate the health care system, and young adults learning skills to help them find jobs, just to name a few.

Mr. Speaker, I'd like to share with this Assembly some of the things that I have learned about autism over the last 10 years. Autism can be diagnosed by the age of two. One-third of children with autism are non-verbal. High-quality, early intervention does more than develop skills. This is why our government will be introducing individualized funding for children under the age of six who have been diagnosed with autism spectrum disorder.

Mr. Speaker, we were very lucky to have the member from Saskatoon Willowgrove and the member from Saskatoon University and their families join Courtney's Crusaders. I ask that all members join me in thanking Autism Speaks Canada for putting on such an important event. Thank you, Mr. Speaker.

**The Speaker:** — I recognize the member from Moose Jaw North.

### **Moose Javian Wins Miss Universe Canada**

**Mr. Michelson:** — Thank you, Mr. Speaker. I rise in the House today to recognize Siera Bearchell. Siera is a former constituent whose family continues to reside in Moose Jaw North. This weekend Siera won Miss Universe Canada 2016 and will represent Canada at the 2016 Miss Universe pageant later this year.

Siera is an inspiration off the stage as well. She is currently a law student at the University of Saskatchewan and continues to

help the most vulnerable communities around the globe. She is co-owner and co-founder of Watered Down Apparel, which provides 30 days of clean water for every item sold. Watered Down Apparel has helped provide clean water projects in Kenya, Ghana, Ethiopia, and Haiti and is partnered with the organization WaterIsLife.

Mr. Speaker, Siera is an amazing young leader. She was the recipient of the Queen's Diamond Jubilee Medal, the Peter Mansbridge Youth Leadership Award, the Deloitte Inspiration Award, and the Red Cross Young Humanitarian Award, just to name a few. It goes without saying that these awards are very well deserved.

I ask all members to join me in congratulating Siera Bearchell on her place as Miss Universe pageant. No doubt she will represent Saskatchewan and Canada incredibly well. Thank you, Mr. Speaker.

**The Speaker:** — I recognize the member from Moose Jaw Wakamow.

### **Freedom of the City Parade in Moose Jaw**

**Mr. Lawrence:** — Thank you, Mr. Speaker. On Saturday I had the pleasure of attending the Freedom of the City parade held by the Royal Canadian Air Force 15 Wing in Moose Jaw. The parade was held in honour of the 75th anniversary of the British Commonwealth air training program.

Mr. Speaker, the BCATP [British Commonwealth air training plan] was one of Canada's most important contributions to the Allied war effort during the Second World War. Saskatchewan and Moose Jaw played an important role in this program as our large skies and wide open spaces provided great flying conditions for training. As a result of the BCATP, an air force station was set up south of Moose Jaw. The original station eventually became 15 Wing Moose Jaw.

Over the past 75 years, Mr. Speaker, the air base and its members have made many valuable contributions to the Moose Jaw community. According to 15 Wing commander, Colonel Alex Day, the granting of the Freedom of the City is one of the most esteemed honours that can be bestowed on a military unit.

I ask all members to join me in remembering those who served as part of the British Commonwealth air training program, and then thanking the members of 15 Wing for their contributions to Moose Jaw community and their service to our country. Thank you, Mr. Speaker.

### **QUESTION PERIOD**

**The Speaker:** — I recognize the Leader of the Opposition.

### **Number of Saskatchewan Companies Working on Regina Bypass Project**

**Mr. Wotherspoon:** — Mr. Speaker, last week I raised concern that the Sask Party's \$2 billion so-called bypass and its \$1 billion overrun is bypassing Saskatchewan businesses, job creators, and Saskatchewan workers. The Premier dismissed this and brought out a list of companies and selectively read

from it. He neglected to mention that he was counting Crown corporations, municipalities, even the city of Regina. And he forgot to tell us that close to 20 of the companies he claims to be from Saskatchewan actually have head offices outside of the province.

Of course we support Saskatchewan companies who are part of this project, but there are far too few of them, and they're getting far too little of the work. Meanwhile companies like Rob's Concrete Pumping here in Regina have been told that they won't be included in the project.

So, Mr. Speaker, let me ask again, and this wasn't answered last week, how much of the \$2 billion in this project being run by the large corporation from France, in actual dollars, is going to Saskatchewan businesses?

**The Speaker:** — I recognize the Minister of Justice, Attorney General, and SaskBuilds.

**Hon. Mr. Wyant:** — Thank you very much, Mr. Speaker. You know, Mr. Speaker, I think this question was answered very, very well last week: 71 per cent of the businesses that are working on the bypass are Saskatchewan businesses.

Now, Mr. Speaker, he can dismiss the fact that some of these companies don't have head offices in Saskatchewan, Mr. Speaker, but the people that are working for these companies are Saskatchewan residents. They're paying Saskatchewan tax. Mr. Speaker, I can also say that the definition that we've used to define Saskatchewan companies has been adopted by a number of professional organizations, including consulting engineers, Canadian Manufacturers & Exporters, and the NSBA [North Saskatoon Business Association], to name a number, Mr. Speaker.

So, Mr. Speaker, to suggest that Saskatchewan employees who work for companies and who have offices aren't entitled to work on this bypass is ridiculous, Mr. Speaker. These are Saskatchewan employees. They're paying tax in Saskatchewan, Mr. Speaker. We stand by the numbers which we presented last week.

**The Speaker:** — I recognize the Leader of the Opposition.

**Mr. Wotherspoon:** — The question was asked now for the third time, and not an answer again to the question. We've heard concern from many Saskatchewan businesses about being shut out on this project. And this growing Saskatchewan business says that they were told by the Sask Party and the contractor from France that "... they're not even interested in our bid ...". And they were told, "'No, forget it, you're not going to get to bid on it. You're not going to get to be part of it.' Flat-out no." Mr. Speaker, instead an Alberta-based company got that contract.

Mr. Speaker, there are 15,000 more Saskatchewan people out of work today than there was just a year ago. 9,500 Saskatchewan jobs have been lost. The unemployment rate for off-reserve First Nations is a shameful 25 per cent. So why is the Sask Party bypassing so many workers and so many Saskatchewan businesses? Now I'll ask the question again, now for the fourth time in this Assembly, and maybe we can get a straight answer

from the government. Of this \$2 billion, the massive overrun that's in place, how much of that money is going to Saskatchewan businesses?

**The Speaker:** — I recognize the Attorney General.

**Hon. Mr. Wyant:** — Mr. Speaker, I'll be direct with respect to the first part of his question. We've been advised by Regina Bypass Partners that they have no record of any contact with the company that he mentioned, and I would suggest that he do some research before he finds out the answers, Mr. Speaker. But they've had no, they've had no contact with the ... And that's the advice that we received, Mr. Speaker.

Mr. Speaker, I'll repeat my answer from before: 71 per cent of the companies that are working on this bypass are Saskatchewan companies, Mr. Speaker, hiring Saskatchewan workers to do this work. They're paying tax in Saskatchewan, Mr. Speaker. And I said, Mr. Speaker, you know, we should be thankful that offices are being set up in Saskatchewan, Mr. Speaker, that they're hiring people to pay taxes in this province. That's what we should be concentrating on, worried about — the people that need employment in this province. The bypass is creating over 13,000 of those jobs for people right here in this province.

**The Speaker:** — I recognize the Leader of the Opposition.

#### Provincial Economy and Support for the Oil Industry

**Mr. Wotherspoon:** — Mr. Speaker, asked four times and not an answer, of the massive overrun, into \$2 billion, about how much is being spent here in Saskatchewan. You know, the Premier just doesn't get it. His way isn't working on many fronts. He came into government when oil prices were high, times were good. Instead of saving a dime, he drained the rainy day fund, boasted and coasted and failed to diversify our economy. Now that oil prices came down and Saskatchewan people are losing their jobs, the Premier went to Calgary last week and actually said:

We are in the middle of a battle and, frankly, we haven't been winning very many battles. When I say "we," I mean this sector and the resource importance of western Canada.

Mr. Speaker, when he says "we," he should just accept it; he hasn't got the job done. Mr. Speaker, even with a Conservative government in Alberta and in Ottawa, the Premier was unable to build a single pipeline. In just the last year, 1,100 more workers in this sectors lost their jobs. Mr. Speaker, when will this government finally take diversifying our economy seriously, prioritize Saskatchewan jobs and workers, and stop putting headlines ahead of pipelines and start getting the job done for Saskatchewan people?

**The Speaker:** — I recognize the Deputy Premier.

**Hon. Mr. McMorris:** — Mr. Speaker, I find that a curious attack by the opposition members, attacking the Premier and defending Saskatchewan, Mr. Speaker. Mr. Speaker, one thing that this province can be proud of, it's a Premier that is by far the most popular Premier in Canada, Mr. Speaker, most popular Premier in Saskatchewan that continues to defend this province

across the nation.

You bet he was in Calgary last week. And he's in eastern Ontario this week, Mr. Speaker, defending Saskatchewan, defending the oil industry for all of Western Canada, Mr. Speaker. It's a far cry from the opposition that only wants to defend the Leap Manifesto that would kill the oil industry in this province.

**The Speaker:** — I recognize the member from Saskatoon Nutana.

### Carbon Capture and Storage Facility

**Ms. Sproule:** — Mr. Speaker, the Premier attacks others for being against the oil and gas industry, but he is the one who is failing. In Alberta, the NDP [New Democratic Party] government is building success by working with people in the industry and out of it. And this Premier is failing on both counts.

And, Mr. Speaker, we can see even more Sask Party troubles with the \$1.5 billion carbon capture project. They have inexplicably stood by the bizarre claim that their project is working at nameplate capacity. I say bizarre, Mr. Speaker, because they know it's only operating at 80 per cent. The Premier knows it, and the minister knows it.

We recently found out that the BD3 [Boundary dam 3] carbon capture unit has also been repaired at least 6,862 times since May of 2013. That is, on average, six work orders a day, Mr. Speaker — six a day. These facts certainly weren't highlighted in the government's press releases. To the minister: when will we really know all of the facts about this project?

**The Speaker:** — I recognize the Minister of Economy.

**Hon. Mr. Boyd:** — Mr. Speaker, I believe the member opposite has toured the facility down at BD3, if I'm not mistaken. And what she would have saw, Mr. Speaker, is a very complex industrial facility down there, one that is certainly making headlines around the world for the nature of the carbon capture work that they're doing down there, Mr. Speaker.

[14:00]

It also is one that is very, very complex, as I've said, and they have a huge amount of work that they do on a daily basis to ensure that maintenance, routine maintenance, is done on a regular basis. For example, Mr. Speaker, there's one piece of equipment down there that there's a work order issued weekly to change oil, Mr. Speaker. There's a number of other ones that SaskPower documents all of the work that's done with respect to that. For example, if there's a leaking flange, they tighten up the bolts on the flange so it isn't dripping any water or anything of that nature, Mr. Speaker, or any CO<sub>2</sub> that's being captured, Mr. Speaker.

The fact of the matter is, it's a very complex facility, Mr. Speaker, a lot of work orders. To put in context, last year SaskPower, on a province-wide basis, issued 195,000 work orders.

**The Speaker:** — I recognize the member from Saskatoon Nutana.

**Ms. Sproule:** — Mr. Speaker, this project is almost as complex as it is costly. And of course, this minister would downplay this. Yes of course, projects will need maintenance, but this minister has not been upfront about the extent of those repairs or the costs.

There was \$17 million in maintenance costs incurred just to get this project working, keeping in mind this is a brand new facility. On top of that, the operation and maintenance costs each year will be at least \$13 million, and this is just the carbon capture plant, Mr. Speaker. In 2014 and '15, millions were paid out in penalties to their corporate partners in this, Cenovus. In 2015 the operation and maintenance costs were \$13 million. No wonder this government is delaying their decisions for BD4 [Boundary dam 4] and BD5 [Boundary dam 5].

How can they still defend the economic viability of this project? When will this minister finally be open and transparent when it comes to the cost and economic viability about carbon capture? How can the province trust this government's decisions when they are so secretive?

**The Speaker:** — I recognize the Minister of the Economy.

**Hon. Mr. Boyd:** — Thank you. Mr. Speaker, the people of Saskatchewan I think should be comforted in the fact that just recently we had the federal Minister of the Environment tour the facility down there at Boundary dam, Mr. Speaker. And she said, after touring the facility . . . So when you have a carbon capture and storage that's certainly an innovative solution, a made-in-Canada solution, so looking at how we can improve here, and it's a real opportunity for Canada to export solutions.

And when she was talking about those solutions, Madam Member, she was talking about this. She said the opportunity here for Saskatchewan is 50 trillion — that's with a "t" — \$50 trillion in China alone, Mr. Speaker. That's the kind of economic impact that a facility of this type has on a worldwide basis, Mr. Speaker.

**The Speaker:** — I recognize the member from Regina Douglas Park.

### Number of Young Offenders in Custody

**Ms. Sarauer:** — Mr. Speaker, Saskatchewan continues to have the highest rates of youth crime and the second highest rates of youth incarceration. The Children's Advocate has criticized the Minister of Corrections and Policing from moving away from a youth model and the principles of reintegration. Last year this government chose to close Yarrow Youth Farm and Orcadia Youth Residence. They made this decision on short notice and without consultation.

Even after significant concerns were expressed from the Children's Advocate, they chose to close these facilities. On many fronts, they are failing to deal with these issues appropriately. To the minister: why are youth offenders not a priority for this government?



**The Speaker:** — I recognize the Minister of Corrections and Policing.

**Hon. Ms. Tell:** — Yes, thank you, Mr. Speaker. The closure of Yarrow Work Farm was done because it was operating at 50 per cent capacity, Mr. Speaker. We're using unused space in our other facilities to consolidate young offenders within the province, Mr. Speaker.

Let me just go to a few statistics here, a few comments. The NDP government closed three youth centres, totalling 42 youth custody beds during their time in office. The 42 beds they closed were consolidated with other facilities, using empty, closed space at Paul Dojack Centre. When they faced crowding issues, they put youth in an adult correctional facility, Mr. Speaker. We are consolidating our operations within the province of Saskatchewan, and it really is about programming for the youth within our facilities, Mr. Speaker, not where they're located.

**The Speaker:** — I recognize the member from Regina Douglas Park.

**Ms. Sarauer:** — Mr. Speaker, a report out today shows justice and correction systems are not getting the job done when it comes to dealing with offenders and, as the minister says, turning them into taxpayers. In fact, many will reoffend and have continued contact with the police. Mr. Speaker, 9 out of 10 Aboriginal youth who are pushed through the correction system, had re-contact with the police following. Saskatchewan already has the highest youth crime rate, so bringing down recidivism rates is crucial for all of us.

Mr. Speaker, in this budget we saw the Sask Party shut down the Buffalo Narrows Correctional Centre. They cut the Aboriginal court worker program. They cut the alternative measures programming. They cut the Aboriginal police consultation groups. Mr. Speaker, this government cuts program after program after program. Is anyone surprised that we're seeing high rates of crime and recidivism? And with all of these cuts, how does the minister think things will get better?

**The Speaker:** — I recognize the Minister of Corrections and Policing.

**Hon. Ms. Tell:** — Mr. Speaker, the Statistics Canada report that the member opposite references is one that I just saw for the first time this morning. I will take the time to go over it obviously and, with my officials, determine what it means for corrections and policing here in Saskatchewan. I am confident that it will help us to better understand the re-engagement within the criminal justice system in Saskatchewan, Mr. Speaker.

And there's one thing I know, Mr. Speaker: that is the fact that, if we continue doing the same thing time and time again, we'll end up with the same results. Our young offender facilities will be over capacity. Our adult facilities will be unsustainable. Mr. Speaker, we are focusing on demand reduction. Healthy families is but one example of that, Mr. Speaker. We'll continue focusing on what will reduce the people within our correctional facilities. Thank you.

**The Speaker:** — I recognize the member from Regina Lakeview.

### Funding for Education

**Ms. Beck:** — Thank you, Mr. Speaker. Ever since the budget, we've heard story after story about cuts being made to school divisions. This minister likes to brag about how much funding for schools has increased, but for many school divisions that's simply not the reality. In fact, Mr. Speaker, this year funding has decreased in nearly half of all school divisions compared to last year. They've had to scramble to make up for the shortfall, cutting educational staff and reducing staff hours. But the minister wants them to make more cuts, expecting school divisions to "... roll up their sleeves and try and find efficiencies and economies ...". And if those cuts aren't deep enough, Mr. Speaker, the minister says the government might intervene.

Mr. Speaker, our schools are already understaffed and under resourced. Why won't the minister admit his government made a mistake, reverse these cuts, and provide the funding needed to give our kids the education that they deserve?

**The Speaker:** — I recognize the Minister of Education.

**Hon. Mr. Morgan:** — Mr. Speaker, this year our overall education budget increased by 7.8 per cent to \$2.2 billion, an all-time high. Mr. Speaker, the member opposite accused us last week of playing games with the numbers, moving things in and out of what was capital, what wasn't capital. I'd like to remind the members opposite that in 2007-2008 provincial funding to school divisions for operating funding — exclusive of capital, exclusive of EPT [education property tax] — was \$694 million. Mr. Speaker, 2016-17 that number had risen to \$1.2 billion, a 73 per cent increase. At the same time, Mr. Speaker, education property tax dropped from \$742 million to \$680 million, a reduction of 8.3 per cent.

So, Mr. Speaker, make no mistake: education funding has gone up in this province. We will continue to make our investment in students and make our investment in the future of the province. Money cannot be spent any better way than what we're doing in partnership with the education divisions across the province.

**The Speaker:** — I recognize the member from Regina Lakeview.

**Ms. Beck:** — Mr. Speaker, once again a denial of the reality in our classrooms today. This minister used to talk a lot about the need to respect the autonomy of school divisions. Now he's changed his tune, saying that if school divisions don't make sufficient cuts, the government could step in and impose them. When asked if he would do so in an interview last week, he said, "We certainly have the right to do it. We have the ability to do things like that."

Mr. Speaker, our school divisions are already stretched thin. They've cut whatever they can, and they've been forced to cut teaching positions and support staff. But apparently that's not enough for this minister. Will the minister respect the autonomy of school divisions, or will he step in and make deeper additional cuts?

**The Speaker:** — I recognize the Minister of Education.

**Hon. Mr. Morgan:** — Mr. Speaker, where a school division has got lower enrolment, where numbers have dropped, we can expect to see a corresponding drop in funding for that school division. Sometimes capital projects are finished and there's a drop in funding when those things have ended. Mr. Speaker, we will continue to look for and we will not apologize for looking to the divisions to find economies and to make sure that they commit to spending money where it belongs — which is in the classrooms, in the front line — so that it benefits the students the most.

Mr. Speaker, this budget has increased funding overall by 7.8 per cent to 2.2. Mr. Speaker, in addition to that, part of that funding is \$288 million for supports for learning. In addition to that, \$5.4 million for Syrian refugees; \$391 million for capital, including \$310.5 million for joint schools; \$41.9 million for ongoing capital projects in St. Brieux, Langenburg, Gravelbourg, Martensville, as well as École Connaught, Sacred Heart, and in Mâdawêyatîtan Centre replacing Scott Collegiate in Regina. Thank you, Mr. Speaker.

**The Speaker:** — I recognize the member from Regina Lakeview.

**Ms. Beck:** — Mr. Speaker, my question is simple to this minister: if the principle is funding based on enrolment, why did we see a cut to the mid-year adjustment for growing school divisions?

**The Speaker:** — I recognize the Minister of Education.

**Hon. Mr. Morgan:** — Mr. Speaker, we could talk about 16 years of government by the NDP, and we could talk about their mid-year adjustment for enrolment increase. Well the fact is, they never made it — not once. Not even when enrolment went up did they do it. But the fact of the matter is, enrolment went down under the members opposite so they didn't need to worry about enrolment increase because the kids were all moving to Calgary.

Mr. Speaker, under this government our enrolment has been going up. We gave enrolment increases in the years where we could and, Mr. Speaker, this year we've reached forward and projected what the numbers will be in September so that we won't have to make another enrolment adjustment this year. And, Mr. Speaker, that's the type of things that we're doing. We are planning ahead, and we will work with the divisions. We have confidence that they will work with us and give us the best economy we can so that we can continue to support the students and continue to support the divisions in our province.

**The Speaker:** — I recognize the member from Regina Lakeview.

**Ms. Beck:** — Mr. Speaker, a history lesson about what happened 10 years ago does nothing to put teachers in front of kids today. Mr. Speaker, the truth is that the minister has already stepped in and forced cuts on school divisions. His government cut the mid-year funding adjustment for schools last year, two years ago, and they're doing it again this year.

Mr. Speaker, schools depend on mid-year funding to help deal with unexpected enrolment growth. Last year's funding cuts left divisions scrambling to find the money to pay for additional students in their schools. In Regina Public School Division alone there were 665 new students left unfunded. Now they're calculating yet another shortfall with this budget.

Mr. Speaker, schools depend on this money to help with the growth of their student population. Will the minister admit that cutting the mid-year funding adjustment was a mistake?

**The Speaker:** — I recognize the Minister of Education.

**Hon. Mr. Morgan:** — Mr. Speaker, in the last question, I answered that by saying we were reaching forward and projecting to what the September enrolments would be this year so there would not be the need for additional funding mid-year.

Mr. Speaker, 16 years under the NDP, not a nickel for mid-year funding. And they have the nerve to stand in this House now and say we should be doing it — something they never did, an idea that had never crossed their minds. Mr. Speaker, we will work with the divisions and continue to do that.

Mr. Speaker, last week, and I quote, a headline from *The StarPhoenix* states that "[Saskatoon] public school division has ruled out staff cuts despite challenges." Mr. Speaker, Northeast School Division director Don Rempel:

We're not going to decline any of our teaching or school-day staff. We're going to work with our distribution model as far as our school-based teachers and support staff as status quo, and we're going to make adjustments in services outside of schools. We will do the best we can with the resources we have.

Mr. Speaker, that's the sign of divisions that are working with us, unlike what the members opposite had when they were in government.

**The Speaker:** — I recognize the member from Prince Albert Northcote.

### Second Bridge for Prince Albert

**Ms. Rancourt:** — Mr. Speaker, the people of Prince Albert are sick and tired of waiting for the Sask Party government to address their need for a second bridge. In fact, Mr. Speaker, Prince Albert and area community leaders have written a letter to the Highways minister to raise not only the importance of a second bridge but also that the government's costly P3 [public-private partnership] rent-a-bridge plan will not work for their community.

Unfortunately, Mr. Speaker, the minister for Martensville-Warman prefers the my-way-or-the-highway approach. Instead of dictating terms to the community, the minister should be looking to solve the problem. To the minister: It is clear your P3 approach doesn't work for Prince Albert and area. Will you agree to scrap your costly P3 approach?

[14:15]

**The Speaker:** — I recognize the Minister for Highways.

**Hon. Ms. Heppner:** — Thank you, Mr. Speaker. The Premier was very clear a couple of years ago, saying that when the city of Prince Albert and the federal government were willing to proceed with this bridge with three levels of government that we would do that, Mr. Speaker. We are open to the possibility of it being outside of P3, but the important part, Mr. Speaker, is that the city of Prince Albert is at the table. This will not be a fully provincially funded bridge; this requires three levels of government. And I understand they have written to me; I haven't yet received that letter, but I would be happy to meet with the leadership from Prince Albert to discuss this when they do reach out.

**The Speaker:** — I recognize the member from Prince Albert Northcote.

**Ms. Rancourt:** — So I just want to stress this, Mr. Speaker. Just last week these community leaders sent a letter to the Minister of Highways, and she'll be receiving it soon. The letter encouraged support for a second bridge saying, "Due to the traffic volumes and, most importantly, the economic risk of one bridge supporting a significant amount of economic action to the North . . ."

This is a provincial issue, Mr. Speaker. Mr. Speaker, the letter goes on to stress that the city of Prince Albert, the RM [rural municipality] of Prince Albert, and the RM of Buckland cannot afford what the Sask Party will charge them for the P3 funding arrangement. The combined annual budget for the three municipalities is approximately 106 million. Mr. Speaker, the P3s also require a feasibility study which will cost in the ballpark of about \$1 million and, even if they find the money, there's still no guarantee to a second bridge.

Mr. Speaker, the committee is requesting time with the Highways minister, and I hope she considers to meet with them. So why won't . . . discuss their concerns and potential solutions to the creation of the second bridge for Prince Albert?

**The Speaker:** — I recognize the Minister of Highways.

**Hon. Ms. Heppner:** — Thank you, Mr. Speaker. I believe I just said yes to all the things in her question, although I couldn't hear all of it because it was a little bit loud in here.

But, Mr. Speaker, I do want to point out she said this was a provincial responsibility. Well that's new for the NDP, Mr. Speaker, because when the province needed repairs, what was the NDP's answer to that? It wasn't an important part of Highway No. 2 and they weren't going to put a dime into that bridge, Mr. Speaker. We have fully funded the repairs on that bridge. And, Mr. Speaker, going forward, we require three levels of government to participate in the funding of this bridge.

As I've said, I'm happy to meet with representatives. Mr. Speaker, the funding model that we're looking at is similar to what we've done for the city of Saskatoon. They're regional bridges, Mr. Speaker. They accommodate not just city traffic, but regional traffic, provincial traffic, national traffic in some circumstances, Mr. Speaker. The city of Saskatoon stepped up as a three-way partnership, Mr. Speaker, and that's what we're

asking for for the city of Prince Albert.

## MINISTERIAL STATEMENTS

**The Speaker:** — I recognize the Minister of Corrections and Policing.

### Healthy Families Initiative

**Hon. Ms. Tell:** — Thank you, Mr. Speaker. Earlier today I had the honour of taking part in the official signing ceremony for our government's healthy families initiative. The healthy families unit was established in 2015 as a key priority under the Saskatchewan child and family agenda, with the objective to research and develop an intervention that will increase the well-being of families with complex needs and decrease their dependency on government programs and services.

The healthy families unit developed the healthy families initiative and evidence-informed intervention that targets Saskatchewan's most vulnerable families living with complex needs. Services will be tailored to meet the families' unique and dynamic needs. Each family will be connected with a dedicated worker that will work with the family to identify natural and professional supports and participate in the development of the family plan. The healthy families unit is comprised of the ministries of Justice, Corrections and Policing, Health, Social Services, and Education, and together we will be investing \$750,000 into the initiative.

Foxvalley Counselling Services will be delivering the 18-month pilot program, which will be focusing on 10 high-usage, vulnerable families right here in Regina. Foxvalley Counselling staff will work with the families to reduce criminal offences and family violence, support families to care for their children, increase employment, support families challenged by mental health and addictions, and ensure children are attending school. It is estimated that this will generate a two-to-one return on investment.

With an initial investment of \$750,000, this program can save the government up to 1.5 million. Saskatchewan is already receiving national and international recognition for our multi-ministerial approach to working differently with families. The healthy families initiative is another example of the innovative work that we are doing in corrections and policing. And, Mr. Speaker, this is but one response to the provincial poverty reduction strategy and the mental health and addictions action plan.

I want to thank the healthy families unit and Foxvalley for all their hard work they have done and will continue to do to ensure that Saskatchewan remains the best province in Canada to live, work, and raise a family. Thank you, Mr. Speaker.

**The Speaker:** — I recognize the member from Regina Douglas Park.

**Ms. Sarauer:** — Thank you, Mr. Speaker. I'd like to thank, first I'd like to thank the minister for providing me with the advance copy of the statement and learning a bit more about the new healthy families initiative. I'd also like to applaud the work that Foxvalley Counselling Services does in the province. They

do amazing work, and we had the opportunity to thank them in person already earlier today.

It will be interesting to see how this program shapes up, with the dedicated worker and the high-needs families that this pilot is going to serve. And I'm also happy to see the inter-ministry support for funding for this program. It would have been nice to see the government do a little bit more of this upfront, providing supports work. That wasn't apparent in the budget, I believe, this time around, and it's clear from the minister's own statement that providing this upfront support does help us in terms of financial consequences in the long run.

In any event, we're looking forward to seeing how this project works, and we'll be continuing to monitor it. Thank you.

### INTRODUCTION OF BILLS

#### **Bill No. 30 — *The Freedom of Information and Protection of Privacy Amendment Act, 2016***

**The Speaker:** — I recognize the Attorney General.

**Hon. Mr. Wyant:** — Thank you, Mr. Speaker. Mr. Speaker, I move that Bill No. 30, *The Freedom of Information and Protection of Privacy Amendment Act, 2016* be now introduced and read a first time.

**The Speaker:** — It has been moved by the Attorney General that Bill No. 30, *The Freedom of Information and Protection of Privacy Amendment Act, 2016* be now introduced and read a first time.

Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Carried.

**Law Clerk and Parliamentary Counsel:** — First reading of this bill.

**The Speaker:** — When shall this bill be read a second time? I recognize the Attorney General.

**Hon. Mr. Wyant:** — Next sitting, Mr. Speaker.

**The Speaker:** — Next sitting.

#### **Bill No. 31 — *The Local Authority Freedom of Information and Protection of Privacy Amendment Act, 2016***

**The Speaker:** — I recognize the Attorney General.

**Hon. Mr. Wyant:** — Thank you, Mr. Speaker. Mr. Speaker, I move that Bill No. 31, *The Local Authority Freedom of Information and Protection of Privacy Amendment Act, 2016* be now introduced and read a first time.

**The Speaker:** — It has been moved by the Attorney General that Bill No. 31, *The Local Authority Freedom of Information and Protection of Privacy Amendment Act, 2016* be introduced and read a first time.

Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Carried.

**Law Clerk and Parliamentary Counsel:** — First reading of this bill.

**The Speaker:** — When shall this bill be read a second time?

**Hon. Mr. Wyant:** — Next sitting, Mr. Speaker.

**The Speaker:** — Next sitting.

### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**The Speaker:** — I recognize the member from Carrot River Valley.

#### **Standing Committee on Crown and Central Agencies**

**Mr. Bradshaw:** — Mr. Speaker, I am instructed by the Standing Committee on Crown and Central Agencies to present its first report. I want to thank all the members of the public who made both oral and written submissions for this report, Mr. Speaker. I move:

That the first report of the Standing Committee on Crown and Central Agencies be now concurred in.

**The Speaker:** — It has been moved by the Chair of the Standing Committee on Crown and Central Agencies that the first report be now . . . [inaudible] . . . in.

Is the Assembly ready for the question?

**Some Hon. Members:** — Question.

**The Speaker:** — Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**Some Hon. Members:** — On division.

**The Speaker:** — Carried . . . On division, okay. All those in favour?

**Some Hon. Members:** — Agreed.

**The Speaker:** — All those opposed?

**Some Hon. Members:** — No.

**The Speaker:** — Yeas have it. When shall the Bill No. 1, *The Crown Corporations Public Ownership Amendment Act, 2016* be read a second time? I recognize the Deputy Premier.

**Hon. Mr. McMorris:** — Next sitting, Mr. Speaker.

**The Speaker:** — Next sitting.

## ORDERS OF THE DAY

## WRITTEN QUESTIONS

**The Speaker:** — I recognize the Government Whip.

**Mr. Merriman:** — Thank you, Mr. Speaker. I wish to table the answer to question 76.

**The Speaker:** — Question no. 76 is tabled.

## GOVERNMENT ORDERS

## SECOND READINGS

**Bill No. 18 — *The Credit Union Central of Saskatchewan Act, 2016***

**The Speaker:** — I recognize the Attorney General.

**Hon. Mr. Wyant:** — Mr. Speaker, I request leave to consider all remaining stages of Bill No. 18, *The Credit Union Central of Saskatchewan Act, 2016* and Bill 27, *The Vital Statistics Amendment Act, 2016* immediately.

**The Speaker:** — Is leave granted?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Carried. I recognize the Attorney General.

**Hon. Mr. Wyant:** — Thank you, Mr. Speaker. Mr. Speaker, I rise today to move second reading of *The Credit Union Central of Saskatchewan Act, 2016*. Mr. Speaker, this government has always been a strong supporter of credit unions. We know they are important financial institutions for many farmers, small businesses, and rural communities. We are pleased to be able to report that the credit unions are still strong in Saskatchewan. Mr. Speaker, I'd like to express my appreciation to the opposition members for their co-operation throughout this entire process. Working together was instrumental in ensuring that his important Act will come into effect in a timely manner.

Mr. Speaker, the Credit Union Central of Saskatchewan, or SaskCentral, is the central credit union serving all of the Saskatchewan credit unions. Currently it is regulated pursuant to a federal statute, the *Cooperative Credit Associations Act* of Canada. That legislation allows the Office of the Superintendent of Financial Institutions, or OSFI, to supervise Canadian centrals to ensure that they are practising sound business practices to reduce risk to credit unions. Mr. Speaker, in 2014 the federal government repealed that part of the *Cooperative Credit Associations Act* that allowed OSFI to regulate centrals. The repeal comes into effect on January 15, 2017. This means that we must pass legislation to provide for continued regulation of SaskCentral by the province by January of next year to avoid a gap.

Mr. Speaker, the current bill is based in large part on the provisions of the federal Act that governs SaskCentral. It includes provisions for the business powers of SaskCentral, including the supply of financial services to its members. The most critical provision is one that allows the regulator to take

control of SaskCentral in the unlikely event of a crisis. SaskCentral's currently enabling legislation, *The Credit Union Central of Saskatchewan Act, 1999* will be repealed and SaskCentral's status continued under this bill. This legislation will provide for SaskCentral's business powers, corporate governance, ownership, and allowable investments.

Mr. Speaker, the bill names Credit Union Deposit Guarantee Corporation, or CUDGC, as the primary regulator of SaskCentral. CUDGC is the entity that provides guarantees for credit union deposits. In order to provide the guarantee, it must supervise credit unions in the way that OSFI supervises SaskCentral. CUDGC will be SaskCentral's regulator as well since it has the experience, expertise, and personnel to be an effective regulator.

The bill provides for the registrar of credit unions to supervise CUDGC. The registrar is a statutory position located at the Financial and Consumer Affairs Authority. The registrar has overall responsibility to the minister for administration of the Act. The registrar also receives notices from CUDGC and SaskCentral and must approve certain actions. For example, CUDGC may make prudential standards for SaskCentral to follow but those standards must be approved by the registrar to be effective.

Mr. Speaker, the registrar also has the power to act in the place of CUDGC in its supervision of SaskCentral if circumstances warrant. Mr. Speaker, the board of directors of CUDGC will be restructured. SaskCentral will have equal representation with the government on the selection committee to select mutually agreeable board members who are not either connected to SaskCentral or the government.

[14:30]

Mr. Speaker, we are extremely pleased that both SaskCentral and CUDGC have had significant involvement in the development of this legislation. We believe that their assistance contributed to the development of a robust regulatory scheme and for that, Mr. Speaker, we thank them.

Mr. Speaker, this bill lays the foundation for ongoing financial soundness of credit unions in this province for years to come. So that, Mr. Speaker, I'm pleased to move second reading of *The Credit Union Central of Saskatchewan Act, 2016*.

**The Speaker:** — I recognize the member from Regina Douglas Park.

**Ms. Sarauer:** — Mr. Speaker, I just have a few brief remarks as critic before we move forward with this bill. I'd like to thank the minister for . . . I know this has been a bill that's been a long time coming for a while and I'm sort of catching it on the tail end. But I'd like to thank the minister for allowing me to be a part of a very extensive technical briefing where I had the opportunity to get to know the legislation a little bit better and better understand it.

I know we've had the opportunity to review the legislation. Members opposite including myself have had the opportunity to speak with the stakeholders, and SaskCentral in particular who do very good work in the province, Mr. Speaker, in supporting

credit unions — medium, small, large credit unions in the province — who are, you know, providing small business loans or personal loans or large loans to businesses and individuals throughout the province.

In short, Mr. Speaker, SaskCentral and its members are doing very good work. It's really important that they have this regulatory scheme in effect by January 1, 2017. We understand that to allow them as seamless as possible of a transition from federal oversight to provincial oversight, Mr. Speaker. So with that we are in support of moving this speedily along and we're prepared to see this proceed. And with that I conclude my remarks.

**The Speaker:** — The question before the Assembly is the motion moved by the Minister of Justice and Attorney General that Bill No. 18, *The Credit Union Central of Saskatchewan Act, 2016* be now read a second time. Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Carried.

**Law Clerk and Parliamentary Counsel:** — Second reading of this bill.

**The Speaker:** — To which committee will this bill be committed? I recognize the Minister of Justice and Attorney General.

**Hon. Mr. Wyant:** — Thank you, Mr. Speaker. Mr. Speaker, I designate that Bill No. 18, *The Credit Union Central of Saskatchewan Act, 2016* be committed to the Committee of the Whole on Bills and that the said bill be considered in Committee of the Whole on Bills immediately.

**The Speaker:** — The bill stands committed to the Committee of the Whole on Bills.

**Bill No. 27 — *The Vital Statistics Amendment Act, 2016/Loi modificative de 2016 sur les services de l'état civil***

**The Speaker:** — I recognize the Minister of Justice and Attorney General to move second reading of Bill No. 27, *The Vital Statistics Amendment Act, 2016*. I recognize the Attorney General.

**Hon. Mr. Wyant:** — Thank you, Mr. Speaker. Mr. Speaker, I'd first like to take a moment, as has been previously mentioned in the House, take a moment to recognize those that were injured or killed in the senseless attack at the Pulse nightclub in Orlando over the weekend, as well as the families of the victims and the first responders who heroically acted in a terrible situation.

Mr. Speaker, it is events like this that demonstrate the LGBTQ2 [lesbian, gay, bisexual, transgender, transsexual, queer, questioning, or two-spirited] community across the world continues, and all too often, to face hatred, bigotry, and violence. It's important for all of us to stand with members in the LGBTQ2 community in denouncing the forces of bigotry and hatred both in our society and across the world and to

promote a future of tolerance and love.

Mr. Speaker, Pride events exist for a reason and sometimes we are reminded of why through shocking events like the one that took place in Orlando. I was proud to participate with the members from Saskatoon Southeast along with members from Saskatoon Nutana and Saskatoon Riversdale. That's why I'm proud to rise today, Mr. Speaker, to move second reading of *The Vital Statistics Amendment Act, 2016*.

Mr. Speaker, this bill will make important changes to enhance the rights of transgendered individuals in our province. Under these changes, adults will be able to change their designation on birth certificates without having to undergo reassignment surgery. Currently under section 31 of the Act, an individual is required to undergo gender reassignment surgery prior to applying to have the designation changed on their birth record. The applicant must provide a certificate from a physician who performed the surgery as well as an additional certificate from a physician who examined the applicant. Mr. Speaker, the Government of Saskatchewan recently agreed to adopt interim criteria that allow an adult to change their designation without undergoing that surgery. The interim criteria were adopted pursuant to a consent order issued by the Court of Queen's Bench and became effective on March 1st when they were published on the eHealth Saskatchewan website.

Under the revised criteria, an individual who was born in Saskatchewan and who is 18 years of age or older can apply to change their designation by providing a statutory declaration that they have assumed, identified with, and intend to maintain the gender identity matching the requested change, and a letter of support from a physician or a psychologist. If the criteria are met, the applicant's birth registration will be amended and a new birth certificate, with the amended sex, will be issued.

Mr. Speaker, this bill will replace current section 31 of the Act with a revised criteria removing the surgical requirement. In addition, Mr. Speaker, this bill will allow regulations to be passed in the future that authorizes further professional groups to provide letters of support for applicants. Examples of professional groups that have been given this authority in other provinces include social workers and nurse practitioners.

Mr. Speaker, the government recognizes that rules and policies regarding changes to individuals' designation continues to develop across this country. As a result, this bill contains a provision that allows alternative criteria to be prescribed in regulation. This provision recognizes the evolving nature of the area of the law, and will allow the government to respond to future developments through regulatory revisions.

Mr. Speaker, this bill provides an important change and further demonstrates the Government of Saskatchewan's commitment to protecting the rights and interests of all residents of this province. We now have the ability to move this legislation through this House and give the trans community something that they have lobbied for — the means to have their gender marker changed.

I'm glad that members opposite will stand with us and support the trans community. A unanimous vote today sends a strong message that we all support the inherent dignity of all persons

in this province.

So with that, Mr. Speaker, I'm pleased to move second reading of *The Vital Statistics Amendment Act, 2016*.

**The Speaker:** — I recognize the member from Saskatoon Centre.

**Mr. Forbes:** — Thank you very much, Mr. Speaker. And I would like to join with the minister in recognizing the Pulse nightclub tragedy in Orlando. And this bill is an important step forward in removing systematic bigotry in our society, so we are glad to be speaking today.

I want to thank all the guests who've come here from across the province, and also to the Minister of Justice and this government, for bringing this forward. I really want to give a special recognition to the minister who's been working hard to keep all those involved in the loop to make sure this moves forward, so thank you very much for that. It is indeed a very important bill.

But it did all start with a human rights complaint that was brought forward by a transgender woman, Laura Budd, who is with us here today — a very tenacious human rights fighter who won't back down. And it's people like that in our society that help us move forward and I think this is very important that we recognize Laura. We are indeed passing progressive legislation that says all transgender adults in Saskatchewan who want gender designations on their birth certificate changed will no longer have to have the surgery in order to receive new gender identification. Under the old vital stats Act, transgender people were required to have gender reassignment surgery before a change in birth certificates could be made.

One area — and the minister did allude to the evolving nature of the law — one area that needs more work is the area around age. This particular bill specifies 18 as the age limit, but unlike other provinces . . . We know in Alberta and Manitoba there is no age designation. So we'll be watching that one very closely and urging the government to be as current as possible.

We understand that, through the Court of Queen's Bench, a consent order was issued in February. The registrar of vital statistics gained the authority to change the sex designation for transgender adults in February. And this was issued in response to Mrs. Laura Budd's human rights complaint filed by the Saskatchewan Human Rights Commission. The commission applied to the court for a hearing on her behalf and argued that the existing legislation is contrary to section 12 of *The Saskatchewan Human Rights Code*. Section 12 of the code states that no person or group can be denied accommodation, services, or facilities based on a prohibited ground. In this case the ground was sex.

As part of the resolution, a one-time donation of \$20,000 was paid to Moose Jaw Pride for the purpose of providing public education about the rights of transgender people.

I want to quote David Arnot, Chief Commissioner of the Saskatchewan Human Rights Commission, who said, and I quote:

Mrs. Budd's commitment to this process will greatly benefit all transgender people in our province. We know that transgender people face discrimination in housing, employment, and they also face travel restrictions — in part because of the mismatch between their gender identity and their government-issued identification.

Well today we are amending *The Vital Statistics Act* to comply with that Act. Mr. Speaker, we believe that all people of Saskatchewan should have the resources and support to lead their lives however they wish to and have their needs accommodated without being hindered by discriminatory practices. But we also believe there needs to be resources for public education.

We'll be asking and urging the government to make sure that the public is educated about their human rights when it comes to this area but as well, as we've been fighting in the area of education, that schools where students wish to have GSAs, that they have GSAs because we know . . . and it's particularly, a day like this, following the Orlando tragedy, that kids need to feel safe and secure in their schools. So we will continue to fight to have GSAs in schools if students request them.

The Universal Declaration of Human Rights affirms that all human beings are born free and equal in dignity and rights, and that everyone is entitled to all the rights and freedoms set forth in that instrument without distinction of any kind. And today especially, the day after the Pulse nightclub tragedy, really is special that we do this today. Moments like this define who we are and I think in Saskatchewan this is a good, good step forward. It encompasses the idea that every day is Human Rights Day. It celebrates the fundamental proposition, the universal declaration: each one of us, everywhere, at all times, is entitled to the full range of human rights; that human rights belong equally to each of us and binds us together as a global community with the same ideals and values; and we should celebrate those rights every day.

Mr. Speaker, as I've quoted often in this House, Martin Luther King said, "The arc of the moral universe is long, but it bends toward justice." And again today that arc is bending even more here in Saskatchewan. We know there's more to be done, but this is a good step forward. Thank you very much.

The opposition is now prepared to have Bill 27 moved to committee. Thank you.

**The Speaker:** — The question before the Assembly is the motion moved by the Minister of Justice and Attorney General that Bill No. 27, *The Vital Statistics Amendment Act, 2016* be now read a second time. Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Carried.

**Law Clerk and Parliamentary Counsel:** — Second reading of this bill.

**The Speaker:** — To which committee shall this bill be committed? I recognize the Attorney General.

**Hon. Mr. Wyant:** — Thank you, Mr. Speaker. I designate that Bill No. 27, *The Vital Statistics Amendment Act, 2016* be committed to the Committee of the Whole on Bills and that the said bill be considered in the Committee of the Whole on Bills immediately.

**The Speaker:** — The bill stands committed to the Committee of the Whole on Bills.

**Clerk:** — Committee of the Whole.

**The Speaker:** — I do now leave the Chair for the House to go into the Committee of the Whole on Bills.

### COMMITTEE OF THE WHOLE ON BILLS

#### Bill No. 18 — *The Credit Union Central of Saskatchewan Act, 2016*

**The Chair:** — I'll call the Committee of the Whole to order. The first item before the committee is Bill No. 18, *The Credit Union Central of Saskatchewan Act, 2016*. Clause 1, short title, is that agreed?

**Some Hon. Members:** — Agreed.

[Clauses 1-1 to 1-4 inclusive agreed to.]

[14:45]

**The Chair:** — Members, this bill is a rather lengthy bill. It has 59 pages and 22 parts. I would ask for leave to do the rest of the bill by parts. Is leave granted?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Clauses 2-1 to 22-8 inclusive agreed to.]

[Schedule agreed to.]

**The Chair:** — Carried. Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: Bill No. 18, *The Credit Union Central of Saskatchewan Act, 2016*.

I recognize the Minister of Justice.

**Hon. Mr. Wyant:** — Thank you, Mr. Chair. I move that the committee report the bill without amendment.

**The Chair:** — It has been moved that the committee report Bill No. 18 without amendment. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

#### Bill No. 27 — *The Vital Statistics Amendment Act, 2016/Loi modificative de 2016 sur les services de l'état civil*

**The Chair:** — The last of item of business before the

committee is Bill No. 27, *The Vital Statistics Amendment Act, 2016*. Clause 1, short title, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Clauses 1 to 5 inclusive agreed to.]

**The Chair:** — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: Bill No. 27, *The Vital Statistics Amendment Act, 2016*.

I recognize the Minister of Justice.

**Hon. Mr. Wyant:** — Thank you, Mr. Chair. I move that the committee report the bill without amendment.

**The Chair:** — The Minister of Justice has moved that the committee report Bill No. 27, *The Vital Statistics Amendment Act, 2016* without amendment. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I recognize the Government House Leader.

**Hon. Mr. Cheveldayoff:** — Thank you, Mr. Chair. Mr. Chair, I move that the committee rise, report progress, and ask for leave to sit again.

**The Chair:** — It has been moved by the Government House Leader that the committee rise, report progress, and ask for leave to sit again. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — This committee is adjourned.

[The Speaker resumed the Chair.]

**The Speaker:** — Order. The Assembly shall now resume. I recognize the Deputy Speaker.

**Mr. Hart:** — Mr. Speaker, I am instructed by the Committee of the Whole on Bills to report Bill No. 18, *The Credit Union Central of Saskatchewan Act, 2016* without amendment.

**The Speaker:** — When shall the bill be read the third time? I recognize the Attorney General.

### THIRD READINGS

#### Bill No. 18 — *The Credit Union Central of Saskatchewan Act, 2016*

**Hon. Mr. Wyant:** — Mr. Speaker, I move that the bill be now read a third time and passed under its title.

**The Speaker:** — It has been moved by the minister that Bill No. 18, *The Credit Union Central of Saskatchewan Act, 2016* be now read the third time and passed under its title. Is the Assembly ready for the question?



**Some Hon. Members:** — Question.

**The Speaker:** — Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Carried.

**Clerk:** — Third reading of this bill.

**The Speaker:** — I recognize the Deputy Speaker.

**Mr. Hart:** — I'm instructed by the Committee of the Whole on Bills to report Bill No. 27, *The Vital Statistics Amendment Act, 2016* without amendment.

**The Speaker:** — When shall the bill be read the third time? I recognize the Attorney General.

**Bill No. 27 — *The Vital Statistics Amendment Act, 2016/Loi modificative de 2016 sur les services de l'état civil***

**Hon. Mr. Wyant:** — Thank you, Mr. Speaker. I move that the bill now be read a third time and passed under its title.

**The Speaker:** — It has been moved by the minister that Bill No. 27, *The Vital Statistics Amendment Act, 2016* be read the third time and passed under its title. Is the Assembly ready for the question?

**Some Hon. Members:** — Question.

**The Speaker:** — Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Carried.

**Clerk:** — Third reading of this bill.

**The Speaker:** — When shall the committee sit again? I recognize the Government House Leader.

**Hon. Mr. Cheveldayoff:** — Thank you, Mr. Speaker. At the next sitting of the House.

**The Speaker:** — Next sitting.

## SECOND READINGS

**Bill No. 21 — *The Growth and Financial Security Repeal Act***

**The Speaker:** — I recognize the Minister of Finance.

**Hon. Mr. Doherty:** — Thank you, Mr. Speaker. I rise today to move second reading of Bill No. 21, *An Act to repeal The Growth and Financial Security Act*.

In 2014-15 government changed the focus for budgeting, forecasting, and reporting to a summary basis. *The Growth and*

*Financial Security Act* is focused on the General Revenue Fund, or GRF, and identifies several reporting, balancing, and transferring requirements on a GRF basis. These provisions are no longer relevant, Mr. Speaker.

We previously indicated that the transition to a summary focus would require changes to *The Growth and Financial Security Act*. The repeal of this Act, Mr. Speaker, will be a further step in the legislative changes required for the ongoing transition to summary budgeting, forecasting, and reporting. The government is developing a revised fiscal management and accountability framework that will form the basis for a new summary-based fiscal management and accountability Act. The Ministry of Finance and officials will be consulting with key stakeholders and the Provincial Auditor in preparation for new legislation. The repeal will come into force on Royal Assent but is retroactive. It is deemed to have been in force on and from April 1, 2016.

Mr. Speaker, our government is continuously modernizing how we present the financial statements of the Government of Saskatchewan. The Provincial Auditor has recognized government's work, and last week when the auditor released her audit follow-ups, she stated, and I quote:

We are pleased to report that, since 2013, the Government focuses on summary budget and reporting. It publishes a Summary Budget, quarterly interim summary reports, and audited Summary Financial Statements. By focusing its financial information on summary budgeting and reporting, the Government reports its plans and results in a way that captures the full nature and extent of its financial activities.

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

The Government recognizes changes to the law are necessary to complete its transition to summary budgeting and financial reporting.

Mr. Speaker, as I said earlier, we are continuously reviewing how we can improve the financial statements of the province to ensure reporting practices are sustainable and meet the needs of legislators and the public.

Mr. Speaker, I move second reading of *An Act to repeal The Growth and Financial Security Act*.

**The Speaker:** — The Minister of Finance has moved that Bill No. 21, *The Growth and Financial Security Repeal Act 2016* ... Is the Assembly ready for the question? I recognize the member from Saskatoon Nutana.

**Ms. Sproule:** — Thank you very much, Mr. Speaker, and it's indeed my honour to rise in this Assembly with the opportunity to speak to legislation that's being introduced here today. This is obviously the second reading of the bill, and thanks to the minister for his brief comments. The bill itself, Mr. Speaker, is incredibly short, and I think that is because it's a repeal Act. So in that sense, there's not much to say. But there's only the one section, and basically what they're doing is repealing, or proposing to repeal *The Growth and Financial Security Act*, which was introduced back in 2008 I believe, Mr. Speaker. Yes.

So I think one of the things I would like to do, just to kick it off here today, is to talk a little bit about this government's views on this bill, how they felt very proud of this bill and how they felt it was a very important bill. Because I think to provide that kind of context for the story that we're at today is something that should be on the record and should be discussed, I think, hopefully by all of my colleagues if we have an opportunity to speak to this bill.

At any rate, where does the story of this bill start? Well I would think it starts in the Speech from the Throne in December of 2007, and this is what the Lieutenant Governor had to say in that Throne Speech. It's on page 4 of *Hansard* on December 10, 2007, and what was said there under the heading of accountability is this:

My government and its growth agenda will be built on a foundation of sound financial management. That is why my government will introduce *The Saskatchewan Growth and Financial Security Act*. This Act will require that the budget of this province be balanced each and every year, instead of every four years as current legislation dictates. This new Act will also set out a formula for allocating budgetary surpluses — half to securing the future by paying down debt, and half to investing in the future through economic growth initiatives. *The Saskatchewan Growth and Financial Security Act* will also ensure the size of the public service will not grow at a rate faster than the population it serves.

[15:00]

So, Mr. Speaker, that's from the Throne Speech in December of 2007. And I think there were some very high aspirations for this bill at that time; you know, confidence in the government that they would be able to pay down debt by securing the future by paying down debt and also investing through economic growth initiatives. So there were supposed to be two halves to this bill, one to pay down debt and one to deal with economic growth.

What's interesting, Mr. Speaker, is they're talking about the budget of this year, but it wasn't specific in the Throne Speech that this was just the General Revenue Fund and not the summary financial budget. So that's part of the problem that this bill has been dealing with over the years. It was never really clear to the people of Saskatchewan exactly what debt we were talking about, and certainly what budget we were talking about.

So the bill was introduced in this House on March 10, 2008. And I just want to share a little bit about again the hopes and aspirations of this government when this bill was introduced so we can see how we got to where we are today.

So in *Hansard* on page 231, March 10, 2008, we had the Minister of Finance saying this, Mr. Speaker:

This Bill reflects that this government and its economic growth agenda will be built on a foundation of sound financial management. It recognizes that sound financial management requires more than just fiscal stabilization. Sound financial management will be achieved through balanced budgets, the establishment of the Growth and Financial Security Fund, the establishment of a Debt

Retirement Fund, stipulations on the use of annual surpluses, and ensuring efficient government services.

He goes on to say:

Mr. Speaker, in this Bill the government is required to plan for and achieve a balanced budget each and every year with exceptions only in the event of natural disaster or war. To ensure long-term planning, each year a financial plan and a public debt management plan for the next four years are required to be tabled.

So there were some very lofty goals and aspirations again enunciated by the Minister of Finance when he introduced this bill in March of 2008. And part of that, I think it's kind of disappointing, is that he was anticipating that this budget would be based on sound financial management. And sadly, Mr. Speaker, I think eight years later when we're here in 2016, that simply hasn't been the case.

In the future also, this is only the event of natural disaster or war. Well, Mr. Speaker, there has been no natural disaster as far as I know, and there's certainly been no war as far as I know. So I'm not really sure why the government has decided that this is the time to actually turf this bill, other than their lofty aspirations of sound financial management haven't actually been achieved.

Now, Mr. Speaker, at this point I would like to take a moment to interrupt myself and ask for leave to introduce guests.

**The Speaker:** — The member has requested leave to introduce guests. Is leave granted?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Carried. I recognize the member from Saskatoon Nutana.

## INTRODUCTION OF GUESTS

**Ms. Sproule:** — Thank you very much, Mr. Speaker. And it's my great, great honour and pleasure to introduce two very special people here in the Assembly today. This is my dad, Merle Sproule from Lafleche, Saskatchewan, and my sister, Maureen Froelich from Chaplin, Saskatchewan. And this is their first time that they've actually been able to come into the House, and their timing is great if they wanted to watch me in action. I'm not sure whether they did or didn't, but anyway they get to watch me in action here in the Assembly.

But, Mr. Speaker, my dad is a very proud farmer in Saskatchewan. He farmed the farm that my grandfather homesteaded back in 1909. Dad took over the farm in the mid-'50s or early '50s at the same time. The farm is in Lafleche, Saskatchewan, just south of Lafleche, about 10 miles in the Palliser triangle where they said farming would never succeed. And that certainly hasn't been the case for our farm.

In the meantime, dad also took time to raise a family of six children and was very, very active in the farm activist community. He had his own farm co-operative, the Chinook Machinery Co-operative back in the '60s. And his dad was also

very involved in the establishment of the Co-operators Life Insurance Company. So I believe dad's life insurance policy is policy no. 9, and his brother, Keith, has policy no. 8 in The Co-operators insurance program. So dad certainly enjoyed going around with his father, Fen Sproule, to the Pool picnics over the years.

And the establishment of the Saskatchewan Wheat Pool was something our family was very proud of. And certainly dad has followed in those footsteps and been involved as a director with the Saskatchewan Wheat Pool, et al. He wasn't very happy when the Canadian Wheat Board disappeared, and I think he said his dad would be turning in his grave, but those are things that happen. And he's definitely watching actively all the activities, watching the Minister of Agriculture for sure and keeping an eye on him.

So I would like to ask all members of the Assembly to take a moment and welcome my dad, Merle Sproule, to his Legislative Assembly.

**The Speaker:** — I recognize the member from Saskatoon Nutana.

**Ms. Sproule:** — While I'm on my feet, I just wanted to say a couple of words about my sister, my older sister who always kept me in line and, you know, made sure I wasn't acting up too much. She's a great teacher. She just retired from teaching a couple of years ago, raised two daughters in Chaplin, Saskatchewan. Her husband, Gordon, is a retired SaskPower employee, a lineman for SaskPower. Good, solid Saskatchewan citizens; they've always got my back, Mr. Speaker. So I'd also like everyone to welcome my sister as well.

**The Speaker:** — I recognize the member from Saskatoon Nutana.

**Ms. Sproule:** — And now that I'm done interrupting myself, I'll continue on with my speech.

## SECOND READINGS

### **Bill No. 21 — *The Growth and Financial Security Repeal Act* (continued)**

**Ms. Sproule:** — So we left on March of 2008, and what the Minister of Finance had to say about this amazing, wonderful bill called the growth and fiscal stability Act. So let's listen to a few other quotes maybe, Mr. Speaker, of what members opposite had to say about this bill. In April of 2008 — I believe this is in the Crown and Central Agencies Committee — this is April 29, 2008, and the Minister of Finance was being questioned in committee about this particular bill.

And here's what he had to say about it then. This is in April of 2008:

And, you know, one of the other things that the members haven't talked about is the discipline that's instilled in this legislation that says if we have surpluses, half of the surplus will be applied to long-term debt, and the other half will be available to the Growth And Financial Security

Fund.

So that there is, I think, advancements in terms of the Fiscal Stabilization Fund regime before. And maybe it's evolutionary. Maybe it's progress, as times change in the province and the ability to be able to impose on ourselves as a province an increased level of discipline in terms of how we're going to deal with the financial future of the province.

He goes on to say, and this is still quoting:

I think that, you know, when I look back in terms of when the Fiscal Stabilization Fund was first established and it was a theoretical fund, a credit card fund if you like, and that was where we were at at that stage. January 1, I believe, of '07 is when there was actually a funded fund, if you like. And so that again was an evolutionary progress, I think. And I see this as further progress moving forward. And who knows? As the fiscal position of the province improves, perhaps further changes will be made down the road.

And that's the end of the quote, and that's in April of 2008, Mr. Speaker. So there we have the minister of the day talking about this bill being evolutionary, about it being progress, and that this is the signal of much great things to come. And I don't think it was too long after that, Mr. Speaker, that the members opposite were actually drawing down from the money that was placed in this fund prior to their election in 2007. So great hopes, I think, were in place but not too sure that the realization was ever going to happen, particularly when we see the way this government took record revenues and blew through them faster than a sailor in port on a Friday night, Mr. Speaker.

So the next thing I want to talk about is what was said, I guess this is in the House, in March of 2009, Mr. Speaker. This was as well the budget speech, I believe, at the time. And there was a question asked to the Premier in question period, and what the Premier said about the fund in the bill in 2009 was this:

Well, I think there's a combination of things you can do. You can maintain a healthy balance in that fund. Today it's \$1.2 billion; I think that's pretty healthy. You can also use it for stimulus to provide a booster shot against some of the very things the member said in his earlier question that is happening to the province's economy as a result of the global recession.

So that's the Premier talking about a healthy balance in the fund. Well we certainly don't hear the Premier talking about a healthy balance in the fund today, Mr. Speaker, because you know how much is in that fund, Mr. Speaker? Zero, absolutely nothing. The money is gone. There's no money left in the fund. So I don't think the Premier would agree today that he was right in 2009 saying it's pretty healthy if he would have known that in 2016 it would have been drained down to zero, our debt levels would be back up again, and we are facing very uncertain times financially and we have absolutely no savings for when the times have turned out to be rougher.

Okay. Well then let's go ahead a little bit later. Well this is the Speech from the Throne from October of 2008, and again the

Speech from the Throne talked about debt reduction and fiscal prudence. And the quote there I would like to share with the Assembly is this:

Many Saskatchewan people asked us to go further — to ensure a stronger Saskatchewan by reducing debt, and saving millions of dollars in interest payments now and in the future.

It was good advice.

Now as far as I can tell, Mr. Speaker, on page 50 of this year's budget, we don't see debt being reduced. In fact it's going higher and higher and higher. And as far as I know, the pension liabilities aren't even reflected in these numbers. So our public debt is way higher than it was in 2008 at 10 billion. We're now looking at 14, almost \$15 billion in debt. So that's a fairly hefty increase in debt, and I don't think that was what the Throne Speech meant in 2008 when they said reducing debt. So I think there's some very serious concerns about whether this bill was ever going to work and what the government's true intentions were in relation to it.

I want to fast-forward now to the Saskatchewan Party platform document from 2016. So this is what the Saskatchewan Party were telling people on doorsteps just in March. Now knowing that there was no money left in this fund and that they're probably going to scrap it, here's what their own platform said. New initiatives to keep Saskatchewan strong, build a \$500 million balance in the Growth and Financial Security Fund, and pay down debt. And this is what it says:

A Saskatchewan Party government will use oil revenues gained by the province to build a \$500 million balance in the province's rainy day fund — the Growth and Financial Security Fund — when the price of oil exceeds a threshold of \$75 per U.S. barrel (WTI). Once the fund has achieved a \$500 million balance, oil revenues received by the province above the \$75 U.S. per barrel (WTI) [price] threshold will be dedicated to debt repayment.

So here they are talking about this fund, Mr. Speaker, as if it's alive and well and that once oil hits \$75, which is nowhere near in the general forecast for the next few years as far as I can tell by the forecasting that the government is using, they are going to use that money in that fund. And here we are after the election and what is this government doing? They're eliminating the fund altogether. They're just going to wipe it out and repeal it.

So what were they telling the voters in their platform this year, in March of this year? And here we are in June of this year, and they're actually wiping the entire thing out. Mr. Speaker, you really have to wonder what the messages are and why the messages are so mixed and why it is that this government hasn't been able to continue putting savings into this fund when we've had the absolute best years ever when it comes to natural resource revenues.

Just for the record, Mr. Speaker, I want to read out the balance in this fund over the last 10 years just so we know how much money was in there. And this is from 2006 to 2015, and I didn't put the . . . Well 2016 is zero.

But 2006 there was 887 million. The same in 2007. In 2008 there was money transferred in, up to \$1.5 billion. Then in 2009 they started taking money out, 1.2 billion. In 2010 they took out more money. Now we're down to 958 million. 2011 there was a bit of money put in, 47 million, so it's back up just over \$1 billion, one billion five hundred thousand dollars . . . No, one billion, five million, nine hundred sixty-eight thousand dollars, sorry. 2012, guess what? They took out money again, down to 708,000. 2013, what did they do? They took out money again, \$42 million they took out, down to \$666 million. What do you think happened in 2014, Mr. Speaker? You got it. They took out more money, \$220 million removed. We're now down to \$446 million. 2015, guess what? Again a large withdrawal from the fund. And this was when we still had really good revenues coming in in oil and gas, so I don't know what this government was thinking and how they couldn't work the balances, but when you're using a GRF accounting system, I think that's part of the problem. Anyways 2015, the balance at the end of the fiscal year was \$131 million, and we found out just from the technical briefing for the budget for this year in 2016, that the amount is actually at zero. And this government intends to wind up the fund.

So for all intents and purposes and all the glory talk, Mr. Speaker, what we have is good intentions but failure to deliver for the people of Saskatchewan. And that's a big problem for the people of Saskatchewan now when we need to have those kinds of savings to get us through the tough times that we are in.

[15:15]

I want to talk a little bit, Mr. Speaker, actually at length, about the Provincial Auditor's report from April of 2013 because there was a number of problems in that that the auditor identified, and there was several recommendations that were made. And by the government doing what it's doing today, they're actually not at all acting on the recommendations of the auditor, but they're just simply getting rid of the bill. What her suggestions are, is that the bill be amended to reflect better practices that are being used across the country when it comes to summary financial reporting.

I'm just going to quote from this quite a bit, Mr. Speaker, but in her reflections section — so that's at the very beginning on page 1 of the report — she talks about what is needed here in Saskatchewan, and she talks about financial reporting. She says:

Regarding financial reporting, Saskatchewan was one of the first provinces in Canada in 1992 to prepare Summary Financial Statements that include all Government operations. However, as of 2013, it will now be the last province in Canada to move to using those financial statements as the primary public reporting tool in communicating its fiscal results to its citizens.

Now, Mr. Speaker, the government did make that change shortly after this report came out because there was a number of problems with it. When you're just using the GRF budget, we know that there's an incomplete and misleading picture.

One other thing I think that we're still not seeing accurately reflected in an easy way for the citizens of this province to

understand are the pension costs. And this is what the auditor had to say about that:

Moreover, the amounts in the GRF Budget and GRF actual financial results are incomplete. Since 1995 when balanced budget legislation was originally passed, an estimated \$2.9 billion in pension costs have been excluded from the calculation of the GRF's "balanced budget."

I'll go on to quote from her:

I do not believe that omitting such significant costs is what the average citizen has in mind when presented with the term "balanced budget." Almost all other provinces include all costs, such as pension costs, when determining whether their budget is balanced or not. However, this exclusion is permitted in Saskatchewan by *The Growth and Financial Security Act* in preparing the GRF Budget.

Now by repealing it, I don't think we're still getting an accurate picture of what the actual pension costs and pension liabilities are for the taxpayers when we look at our total public debt.

The auditor went on to talk a lot about the difference between summary budgets and GRF budgets and I've talked about that as well. But what we're talking about in terms of gross debt, if we want to include the provincial liabilities, in 2008 the gross debt, if you include the pension liabilities, 17.6 billion and as of March 31st, 2014, our total gross debt is \$19.1 billion, Mr. Speaker. That's a pretty hefty price and it's certainly going up. It's not going down despite all the efforts of this government to convince people that actually debt has been reduced. It's actually going up overall.

And the other thing that the auditor pointed out over and over in her budget or in her report in 2013 is about the communications that the government had been sharing with the public. Here's what she had to say, "Although the Government's public communication has been of balanced budgets every year using the GRF financial statements, Saskatchewan had annual deficits in each of the last three years."

And I've never heard a single member opposite talk about the actual deficit that they'd been running in those years, which would be 2010, 2011, and 2012. They just didn't talk about. They kept saying that there was a surplus when clearly that was not correct. It was misleading. And the auditor went on on a number of pages showing how that misleading communications actually was used by various media outlets and a number of other reporting sources. And that's on section 4.1.2 of her report which is called, two budgets cause confusion. And she went on to say in there:

Saskatchewan is the only province with a Provincial Budget containing two budgets. Having two budgets makes understanding the Government's financial plans difficult . . . Producing two budgets in Saskatchewan has proven to be confusing to the public. The confusion is that the public assumes that the GRF Budget includes all of the Government's financial plans for the province. In some cases, publications use the GRF financial information instead of Summary financial information without clear disclosure of such.

And she gives a number of examples where that wrong information was used. A C.D. Howe Institute report, they used the wrong information. *The Globe and Mail* in February of 2013 used the wrong information. TD Economics in March of 2012 used the wrong information. Even the government itself, she said, contributed to the confusion through its own communications. And here's an example here:

The March 23, 2011 Finance News Release entitled *The Saskatchewan Advantage: Lower Taxes, Improved Services, Less Debt* states that "Finance Minister Ken Krawetz today tabled a balanced budget that improves government services, reduces the provincial debt and lowers taxes for individuals, families, homeowners, farmers and businesses." In this case, it is unclear as to which 2011-12 budget is balanced — the GRF Budget or the Summary Budget. As Figure 2 shows, while the Government planned for a . . . surplus in its 2011-12 GRF Budget of \$382.5 million, it [actually] planned for an annual surplus of only \$54.3 million in its Summary Budget.

There's a number of other items that she references there as well in that section, Mr. Speaker. In section 4.1.3, the auditor talks a lot about how a summary budget is not required by legislation. What does she say here?

Unlike most other provinces, Saskatchewan is not required in legislation to prepare a Summary Budget. Legislation in some other provinces also sets [out] the expected form and content of the Summary Budget.

So not only do we not have a summary budget required by legislation, we don't have the safeguards built in that other provinces have. So let's take a little look at what other provinces could . . . are doing and that we could be doing.

Mr. Speaker, seven provinces are required by legislation to provide a summary budget and Saskatchewan is not required to do so. Now the government has indicated they will be introducing legislation in the fall. We have yet to see what the content of that would be. Why they felt it necessary to repeal this bill now and not introduce new legislation at this time is rather interesting, Mr. Speaker.

And why didn't they wait until the fall to repeal this bill and introduce a new one or do it all at once? Hard to say. We certainly don't know what their intentions are going to be in the fall and what that legislation's going to look at, but we're hoping that they will take the auditor's advice and recommendations seriously and incorporate some of these requirements into legislation. As I said, seven provinces are already doing it and Saskatchewan is not, so I think there are good examples being provided by other provinces on this front.

Four other provinces are required to provide multi-year summary budgets. Saskatchewan is not required to do so. And we only, at this point, prepare a single-year summary budget. So again, I think this is something that we're looking forward to in the legislation is that there will be actually that adequate planning, adequate foresight, adequate forecasting to make sure that the realities that the government's going to be dealing with are properly introduced and shared, so that we have

transparency and accountability for the people of Saskatchewan.

The other thing I think, Mr. Speaker, that the auditor was interested in having the government do — and we don't know if they're going to do this or not; again we're hoping they will — is to use the format that six other provinces use. There are six provinces that use a similar format for their summary financial statements, and that would be very helpful I think for economists, for people across Canada to be able to do an apples-to-apples comparison.

I think we saw Doug Elliott from *Trends Monitor* talk about a reporting system now that's being used across the country, and the numbers that he reflects show even more deficits than what the auditor is pointing out. So if we were using apples to apples, I think it would be more reflective of the real story of what's going on. It's certainly something that economists and business planners and tax planners and various other people who look at these numbers would be able to use, a proper comparison.

The format that's being used, she looks at one like for example British Columbia's format. What they do there is they give the same level of detail as reflected in its summary financial statements for the upcoming year and for two years thereafter. So we get a whole lot of forecasting at a very drilled-down level in the British Columbia financial statements. We do not get that from this government, Mr. Speaker, and I think again that speaks to transparency. We need to see these multi-year summary budgets in writing from this government so that we have a very good idea of what the story's going to be in the future.

Six provinces have balanced budget legislation requiring a balanced summary budget. Now again, we have to wonder why this government is not going forward with that at this time. We know they're repealing the GRF budget legislation that is before us today, but we have no idea what's going to replace it. And that's one of the concerns to think that we now have a void. We don't even have this legislation anymore with the intention that the government set out. We have a void and we don't know what's going to happen until possibly the fall, Mr. Speaker.

The last point she gives in this area is that five provinces are required by legislation to provide budget information that's notably more comprehensive than others. And she says Saskatchewan does not. Again when I'm talking to economists and people that are watching these numbers closely, they keep calling for more information, more transparency, more accountability, more detail, better forecasting, better planning because we don't know what kind of planning this government is doing Mr. Speaker. And that's part of the problem when you don't have this kind of detail and transparency in the financial statements that are being presented to the taxpayers. She goes on to say here, and I'm going to quote:

As Figure 5 shows, the level of detail and number of years that provinces provide in their Summary Budgets varies. However, unlike many other provinces, Saskatchewan's Summary Budget does not provide a multi-year budget or [does not] include any detail on estimated revenues and expenses. That means, the 2012-13 estimated expense for the entire Government is not published or available.

Without complete information on planned revenues and expenses, legislators and the public do not receive sufficient information to enable them to understand the nature and extent of the Government's plans for the upcoming year. Also, they are at a disadvantage to effectively scrutinize the Government's revenue raising and spending plans and make meaningful comparisons of actual to planned results.

So, Mr. Speaker, we see a number of recommendations just in that one section alone from the Provincial Auditor saying we need more detail. We need more transparency. We need better reporting. We need better planning, and we need better accountability. I think that we'll look forward to the legislation coming in the fall.

But again what the concern is is that we haven't seen anything at this point, Mr. Speaker, of what the government intends to do. We know what they intend to get rid of. And certainly it was their flawed legislation and the auditor pointed out a number of flaws. But I don't know that they're actually going to go forward and take up her recommendations.

So, for example, the first recommendation from the auditor:

We recommend that the Government of Saskatchewan provide information on planned revenues and expenses in its Summary Budget using the same accounting policies and format as used for the Summary Financial Statements.

I believe, Mr. Speaker, that that is not being done as fully as it should be. There's been some improvements but there's still a need to improve the level of the plans, the details that are in the plan, and certainly the sort of forecasting that the government is using, way more detail, way more level . . . What did she call it? The nature and extent has to be more available — spending plans, revenue raising — because we can't make meaningful comparisons right now.

[15:30]

Second recommendation, Mr. Speaker, is this:

We recommend that the Government of Saskatchewan seek changes to legislation that would require it to provide the Legislative Assembly with a Summary Budget . . . and consider providing a multi-year Summary Budget.

So that's not what's happening here, Mr. Speaker. Again what we're having is a wholesale repeal of their flawed legislation and no attempts whatsoever at this point to make those changes that have been recommended by the auditor. So I expect she'll have something to say about this in her report, review on this three-year-old report. But we haven't had the opportunity to see those comments yet, but we'll look forward to those and see whether her view is that this repeal is sufficient. And I suspect, based on the recommendations that she made in 2013, she will not find that simply repealing the bill will deal with all the issues. However let's be hopeful. Perhaps those changes will come in the legislation that the government will introduce in the fall.

The third one is . . . The third recommendation is this:

We recommend that the Government of Saskatchewan seek changes to legislation that would discontinue the preparation and publication of a budget for the General Revenue Fund.

The minister is saying it's done. Well there haven't been changes to legislation at all to do that. Secondly, the budget for the General Revenue Fund is still located . . . It's in part 2 now rather than part 1 but it still is there. And I think the focus now on part 1 is correctly the summary budget but we still . . . If you don't know how to work your way through the documents, the General Revenue Fund publication is still there and I don't think that this recommendation has been implemented at all.

The next one is on section 4.2.2 and that's "Consequences of Focusing on Balancing the GRF Budget — Managing the Bottom Line." And the recommendation there is this:

We recommend that if balanced budget legislation is desired, the Government of Saskatchewan seek changes to current legislation to use the Summary Budget as the basis for balanced budgeting.

So again there has been no changes to the legislation. They're just dumping it entirely, and we're not sure whether this government is interested in balanced budget legislation or not. They have indicated they would be introducing legislation in the fall, but there's certainly no sort of plan or forward-going information for the people of Saskatchewan and for the taxpayers and the economists and the analysts to find out exactly what their intentions are. So we look forward to hearing what the government will present in the fall, but certainly as of today, that recommendation has not been up taken . . . Is that a word? Taken up is probably a better word to use, Mr. Speaker.

The fifth recommendation in this report is this:

We recommend that the Government of Saskatchewan seek changes to *The Growth and Financial Security Act* to eliminate the use of "rainy day" funds for balancing budgets in conjunction with its elimination of the budget for the General Revenue Fund.

Again no changes to the Act, Mr. Speaker, and indeed it's a complete repeal of the Act.

So again we don't know how new balanced budget legislation will look. Certainly the auditor had much to say about using the rainy day fund and it really . . . I think the most damning incitement here on this section 4.3 is that she . . . or sorry, it's section 4.8.1 which is entitled, "The GRF Financial Statements Contain Significant Errors." And that is certainly a problem, Mr. Speaker, when you're communicating as a government to the people.

So that's about the comparison of the pre-transfer surplus and the annual surplus or the deficit as reported. The close matching of GRF budgets to actual results is possible through the control of transfers. So her view, Mr. Speaker, was the transfers of surplus and deficit was only used to control the GRF budget itself. But it really was meaningless when you look at the actual summary financial statements. So she's saying, get rid of it; it's not helpful at all.

The big discussion next about the GRF debt and management plan, her recommendation in terms of the debt management plan — and I think this is something, I think, we're still looking for from the government — is the pension debt. I mentioned that earlier. But the auditor points out that pension debt is 36 per cent of the gross debt of this government.

I know all governments are currently struggling with pension liabilities. I think with the baby boomers coming through to retirement, this is a significant issue, and I think the auditor and probably many taxpayers would be more comfortable seeing these liabilities in writing on the statements that are provided by the government.

So 36 per cent of our gross debt is our pension liabilities and currently the debt management plan does not address that at all. She says here . . . I'll quote. This is section 4.4.2:

Having a debt management plan for the entire government is important. The financial results in the Summary Financial Statements are already those used by credit raters when they set the provincial credit rating.

The legislative requirement for a debt management plan is focused on the GRF instead of on all of the Government's debt. As such, the Government does not publish a plan that shows how it plans to manage all of its debt.

So I think the auditor has it right but maybe not. I think the government disagrees but we'll see what they come up with in the fall whether or not they take these concerns to heart, Mr. Speaker.

So the sixth recommendation we find in the auditor's report of 2013 is this:

We recommend that the Government of Saskatchewan seek changes to *The Growth and Financial Security Act* to publish a debt management plan that includes all of the debt of the Government.

Now that hasn't happened yet. There certainly have not been changes to the Act, as I mentioned several times already. They're dumping the Act. But we haven't even seen the government take this up as a practice. There's no debt management plan that includes all the debt of the government, and that's something, I think, Mr. Speaker, that the taxpayers are rightly entitled to.

4.5 talks very briefly about the Debt Retirement Fund, which was actually created in *The Growth and Financial Security Act*. And this is an interesting piece, Mr. Speaker, what they created because . . . I'll read what the auditor had to say about it:

The Debt Retirement Fund, created under *The Growth and Financial Security Act*, does not hold any cash or investments; rather it is simply the total of a portion of the annual surpluses of the GRF since 2007-08. By simply being an accounting of surpluses, the Debt Retirement Fund serves no purpose. As such, it cannot achieve its purpose of helping eliminate the accumulated deficit of the General Revenue Fund.

So as far as the shell game goes, Mr. Speaker, I think you have it right there. The Debt Retirement Fund serves absolutely no purpose, and that is one thing that I think is good to be gone when we consider the repeal of this Act.

But again, this is actually one recommendation that is being dealt with by the repeal of this Act, is recommendation 7, which is, should “eliminate the existence of the Debt Retirement Fund.” Well they’re doing that because they’re eliminating the bill. So at least there, we know that one recommendation of the auditor is being listened to.

The interim budget update, there’s some recommendations there by the auditor as well on the interim budget updates. The recommendation there is again to seek changes to *The Growth and Financial Security Act*; instead, today we’re talking about repealing it. But the recommendations that are made there are to “eliminate interim reporting on the General Revenue Fund . . . and to require quarterly public reporting on the Summary Budget.”

Now those changes are beginning to be made, and I think certainly this is something that’s very much appreciated by, again the analysts and the economists and the advisers that use this information to deal with their work and their clients, Mr. Speaker, and the taxpayers, of course. So part of this has been done, but it certainly has not been enshrined in legislation, so we’ll look forward again to possible legislation in the fall. But again the question is, why isn’t this being done at this time?

The next section is 4.7, requirement for two sets of financial statements. And now again the government has made changes since in terms of their practice, and we know that part one of the public accounts is dealing only with the summary financial statements, which is as recommended by the auditor, Mr. Speaker. And that’s somewhat what recommendation no. 9 is, where the auditor recommends that the Government of Saskatchewan seek changes to the current legislation to require the auditing and publication of only the summary financial statements for the government of the province of Saskatchewan.

And certainly the first part, part one of public accounts, if you now look at it, Mr. Speaker, does only contain the summary financial statements. However this is again not enshrined in legislation, and certainly the repeal of this legislation that we’re talking about today will not do anything to advance the recommendation that there be changes in legislation to deal with it. Again not sure why it would take even three years for the government to bring in the legislation. We’re going to be looking at four years if indeed they do bring in legislation in the fall. We’ll be looking at 2017 before any of these changes are made.

So I know the shift to summary financial reporting is one that is very important, and I think our public servants in the Ministry of Finance have worked very, very hard to present those numbers to us. However there’s been no changes to legislation, and that might be the easier part of actually making these changes. I know changing to summary statements is the more difficult part.

There’s a few more recommendations in this report, Mr. Speaker. I guess another concern that was really the main

concern with the GRF budget was the fact that the government wasn’t even using generally accepted accounting principles. And there’s a very harsh indictment of the government in section 4.8.2, where in fact they were reporting surpluses in the GRF that did not exist either, Mr. Speaker.

And that is something I think that is . . . I’m really happy that we’re now using summary just for that reason alone, because the way the GRF is represented, there are ways to present information in different ways. But there’s a chart, figure 18, on section 4.8.2, that shows the reporting of the GRF as a surplus and then the actual GRF deficit if you use generally accepted accounting principles. And I think that’s something we would like our government to do, is to use those generally accepted accounting principles. I certainly think the auditor’s indictment of that is one that this government did take into account when they switched over to the summary financial statements.

So one of the concerns she raised was the silence in the legislation regarding GAAP or generally accepted accounting principles, and so the recommendation there was to change *The Financial Administration Act, 1993*. And this is the recommendation:

We recommend that the Government of Saskatchewan seek changes to *The Financial Administration Act, 1993* to require the use of Canadian public sector standards established by the Canadian Public Sector Accounting Board in the preparation of the Summary Financial Statements.

Now as far as I know, I don’t think those changes have been made yet. I’m not sure whether the government intends to do so, and perhaps it will show up in their response to the auditor’s follow-up report on this. But when I looked at recent changes to *The Financial Administration Act*, I didn’t see that the government would now be required to use Canadian public sector standards for the preparation of summary financial statements.

So it’s a technical piece, Mr. Speaker, but I think using generally accepted accounting principles is something that is accepted across Canada in any kind of audit process, and perhaps it would be useful for our government to use those as well. And certainly I think the auditor is recommending that that be the case; so not only use them, but actually reflect them in our financial administration Act. So it’s the changes to the legislation that is being required, and as far as I know the legislation hasn’t been amended yet.

The 11th recommendation comes in section 5 of her . . . and this is the last recommendation of the auditor. And this is basically the financial discussion and analysis section, and here what she’s recommending is this:

We recommend that the Government of Saskatchewan expand the financial statement discussion and analysis about the Summary Financial Statements included in the Public Accounts — Volume 1 to include more detailed analysis of differences between budget and actual as well as reasons for trends in key financial statement items and indicators.



Mr. Speaker, there certainly is a fair amount of information in Public Accounts volume 1 in the last couple of years, and these are complex and detailed reports. There are some there; I'm not sure whether these will meet the recommendations that the auditor has made or not.

So those are just some of my comments in relation to what the auditor had to say about the growth and fiscal stability fund. Now I'm going to go on to talk a little bit more about what other people are saying about this bill. So on June 6th we had the minister in, and he was talking to us a little bit about *The Growth And Financial Security Act* repeal. And basically what he indicated to the public is this: that because it's referring to the General Revenue Fund and we're under summary financial statements now, so it's completely irrelevant.

Well, Mr. Speaker, I don't think that was the intention of the auditor at the time, is to actually throw out the requirement for reporting as laid out in the growth and financial stability Act, but really what we need to do is apply those principles to the summary financial statements and not the General Revenue Fund statements. So that's unfortunate that the minister is stopping here and just saying it's completely irrelevant when really he should be saying it needs changes, and not to completely repeal it.

Now he did indicate that he is going to consult with the Provincial Auditor and academics to determine the best method for presenting the budget. I'm just kind of wondering why we're still determining this three years after the auditor presented her report. And certainly this wasn't the first time that the auditor raised concerns about this style of reporting that the government brought in in 2008. So we're now at eight years after that has been brought in, eight years after criticism, and it's interesting that he's now going to take time to consult with the auditor to determine the best method for presenting the budget to the public.

[15:45]

So he's indicated there will be new legislation in the fall, and again it's not clear why the government chose this point in time to repeal this particular Act. And I think we have to kind of think that through, Mr. Speaker, as we go forward in our examination of the intentions behind the repeal of this bill, and certainly what the intentions of the government will be in the future as they introduce this new legislation.

One of the questions the minister was asked was whether or not this new legislation will require balanced budgets. And again he said, we don't know yet. The auditor says having a law like this is difficult because of the variations that can occur on a daily basis. But it seems to be, Mr. Speaker, that the auditor is recommending if the government does choose balanced budget legislation that they follow the models that other provinces are using. So I'm not sure that the auditor is telling this government not to have a balanced budget legislation but rather, if they do choose to have one, that it be set up appropriately with the right kind of accounting principles in it.

Now the minister has promised that he hopes to have the most complete, transparent financial statements by the fall. Again we're not sure what exactly that's going to look like, but I guess

we'll just have to wait and see, Mr. Speaker.

Now before I finish I do want to talk a little bit about a report that was commissioned in 2013 by the Premier on what he called the Saskatchewan heritage initiative, and this was on the topic of a futures fund for Saskatchewan. This was submitted to the Premier by Peter MacKinnon in 2013. And he did an examination in that report of four different types of four different sovereign funds, although there are probably more than 60 throughout the world. And I just want to share a little bit of what Peter MacKinnon said in his executive summary for this report. And this is a quote: "The advantages that come with non-renewable resource wealth are accompanied by risks of excessive reliance, unsustainable spending commitments, and waste."

And, Mr. Speaker, I think that something we've seen in full glory here from this government is excessive reliance, unsustainable spending commitments, and waste in relation to our non-renewable resource wealth. He goes on to say:

Governments in jurisdictions that are beneficiaries of this wealth are wise to consider and plan how it will be used to secure the advantages while diminishing the risks. This has led many of them to create special funds to receive some or all of the revenues from non-renewable resources and to subject them to special saving and spending rules. There are more than sixty of these funds — commonly referred to as sovereign wealth funds — worldwide and the number has been increasing in recent years.

So that's in his executive summary. And then I'd like to go on and talk about or quote some of the things he said in his introduction to his paper. And he says:

The discussion that follows will address critical issues, but it is appropriate to begin with consideration of the concept that underlies the main recommendation of this report. The concept is a futures fund — not a rainy day fund, a reserve to be tapped opportunistically, or a source of money to finance projects in Saskatchewan in the absence of capital and operating commitments to pay for them. It is a permanent fund for saving a portion of the revenues from non-renewable resources to be invested for the benefit of future as well as present residents of our province for generations to come, hopefully forever.

And then he goes on to say . . . and I'm going to skip down a little bit but I'll continue quoting:

Our non-renewable resource wealth is inherently time limited, and with each barrel of oil or tonne of potash removed from the ground our store of natural wealth is depleted. Today we use these revenues to grow our economy, pay down public debt, build vital infrastructure and fund public services like education and health care. Through a futures fund we have the opportunity to sustain and stabilize our use of this revenue by ensuring a portion of it is permanently saved and invested to grow and generate income over time.

For this purpose to be realized we must guard against temptation. History teaches us that readily available

sources of large amounts of money are temptations for governments, advocates of special interests or projects, and others. Governments seek relief from budgetary pressures of the day, and there is no shortage of competing claims and ambitions. We owe it to our children and grandchildren, and to their children and grandchildren to resist this temptation. We need to remind ourselves that our natural resources will not last forever and that provincial budgets should not be unduly dependent on them to fund the annual, ongoing expenditures of the province. Experience tells us that, as markets change, an overreliance on non-renewable resource revenues can lead to painful cuts and punishing debt accumulation.

And, Mr. Speaker, I have to say that's exactly what we're seeing in this year's budget is that painful cuts and punishing debt accumulation. When we see \$1 billion just in capital funding or spending alone that's being financed by deficit financing, I think that's a major concern and certainly doesn't reflect the opportunities that we have seen in the last few years in terms of high natural resource revenues. And now that we're seeing declining prices, it's certainly a concern.

So at this point, Mr. Speaker, I believe that I have exhausted the comments that I intended to make on this particular bill, and I'm going to adjourn the debate. Thank you.

**The Deputy Speaker:** — The member from Nutana has moved to adjourn debate on Bill No. 21, *The Growth and Financial Security Repeal Act* 2016. Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Deputy Speaker:** — Carried.

#### **Bill No. 22 — *The Income Tax Amendment Act, 2016***

**The Deputy Speaker:** — I recognize the Minister of Finance.

**Hon. Mr. Doherty:** — Thank you, Mr. Speaker. Mr. Speaker, I am pleased to rise and move second reading of Bill No. 22 to amend *The Income Tax Act, 2000* to implement income tax initiatives announced in our government's 2016-17 budget on June 1.

Mr. Speaker, one initiative that our government is proud to stand by is the graduate retention program. It provides personal income tax credits to rebate up to \$20,000 in tuition fees to post-secondary graduates. The tuition rebate is based on actual tuition fees paid subject to a maximum based on program of study: \$3,000 for certificates, 6,400 for diplomas, 15,000 for three-year degrees, and \$20,000 for four-year degrees.

The tuition rebate is paid out over a seven-year instalment period with 10 per cent paid in each of the first four instalment years and 20 per cent paid in each of the remaining three instalment years.

Graduates currently receive the tuition rebate as a reduction in their income taxes otherwise payable. Tuition rebates must be applied against Saskatchewan income taxes otherwise payable. Any rebate amount that cannot be applied against taxes payable

may be carried forward and added to the next year's instalment amount. Graduates are allowed 10 years to fully claim their tuition rebate.

Since the program's creation in 2008, approximately 58,000 post-secondary graduates have taken advantage of this program, receiving nearly \$200 million in tuition rebates by filing a Saskatchewan income tax return along with a tuition rebate eligibility certificate issued by the Ministry of Advanced Education. This program has been very effective in keeping young people in Saskatchewan as they live, work, and raise a family.

Mr. Speaker, as announced in our election platform, we are creating a first home loan option under the graduate retention program. This new program will allow eligible graduates to borrow up to \$10,000 of their future GRP [graduate retention program] tax credits as an interest-free loan to use towards the down payment on their first home in our province. The loan will be repaid in amounts equal to the amount of the GRP credits claimed by the graduate in subsequent years. This program will be administered by the Sask Housing Corporation. As described in the platform commitment, borrowers under the first home loan program will not be eligible to claim the Saskatchewan first-time homebuyers tax credit. *The Income Tax Act* is being amended to implement this condition.

Mr. Speaker, the budget has announced the elimination of the active families benefit, AFB. This credit was introduced in 2009 to lower the costs of registering children in sports, cultural, and recreational activities. Mr. Speaker, further review of the program has concluded that the active families benefit program has not met program objectives. We believe community-based charities and organizations such as KidSport and Creative Kids will continue to be more effective at helping children from families with lower incomes participate in these activities. As a result, our government has decided to eliminate the AFB program for the 2016 and subsequent taxation years. This is being accomplished by repealing *The Active Families Benefit Act* and consequently amending *The Income Tax Act, 2000*.

Mr. Speaker, this bill contains a number of amendments that are being made because of changes made by the federal government. For example, the federal government has reduced the federal small-business tax rate and has made a related change to the taxation of dividend income. The change to the taxation of dividend income automatically impacts the provincial taxation of that income. Were we to do nothing, the provincial tax on that income would increase. We have therefore decided to adjust our dividend tax credit rate to counteract the federal change and ensure that the amount of provincial tax on this dividend income remains the same as before the federal change. The Act is being amended to reflect this change as well, Mr. Speaker.

The federal government has also altered the taxation of trusts. Most trusts have always paid tax at the top federal and provincial income tax rates, but some trusts had paid tax at the graduated tax rates. The federal government is now requiring all trusts to pay tax at the top tax rates. The Act is being amended to effect this change for provincial tax purposes.

Mr. Speaker, the tax credit for charitable donations is calculated

using the lowest income tax rate for the first \$200 of donations and the highest income tax rate for any donations over that threshold. The introduction of a new federal tax rate has resulted in changes to the calculation of the federal tax credit for charitable donations. The provincial Act previously adopted the federal tax credit calculation and substituted provincial tax rates. This is no longer possible with the changes to the federal calculation. The provincial provision therefore needs to be amended to create a new provincial calculation. This new provision will exactly replicate the former calculation.

Mr. Speaker, in last year's budget our government announced the creation of new tax incentives to increase manufacturing exports and attract head office jobs. Our government understands that bringing high-quality, stable jobs to Saskatchewan is a key part of our plan for growth and an instrumental element of keeping our job market strong. The M & P [manufacturing and processing] exporter tax incentive provides non-refundable tax credits for each of the 2015 through 2019 taxation years to eligible corporations that expand the number of their full-time employees above the number that were employed in 2014.

Eligible businesses are those that export to the rest of Canada or internationally at least 25 per cent of their manufacturing goods each year and that manufacture or process goods for sale as defined in the federal *Income Tax Act* or are principally involved in the commercial development of new economy products for export, including interactive digital media products and creative industry products.

The M & P exporter tax incentive consists of two components: a general hiring tax credit and a head office tax credit. The hiring tax credit offers non-refundable tax credits equal to \$3,000 each year in respect of each incremental full-time employee hired by an eligible business. The head office tax credit offers non-refundable tax credits equal to \$10,000 each year in respect to each incremental full-time head office employee hired by an eligible business subject to minimum qualifying and incremental employment thresholds.

These incentives included provisions to safeguard against certain transfers of existing employees between parent and subsidiary corporations. These provisions are being supplemented to clarify that the transfer of employees between related companies or the conversion of contractors into employees, which do not result in the creation of new Saskatchewan jobs, will not qualify for the tax credits.

Mr. Speaker, last year we also introduced a new tax incentive to encourage new capital investment in primary steel production here in Saskatchewan. The tax incentive is available to eligible primary steel producers that make a minimum capital investment of \$100 million in new or expanded productive capacity and provides a rebate of the new or incremental Saskatchewan corporation income tax payable by the corporation as a result of the new investment.

The tax incentive is available for a five-year period and rebates the full amount of incremental tax for each of the first two years of the rebate period followed by 75 per cent of incremental tax in the third year, 50 per cent in the fourth year, and 25 per cent in the fifth year. This incremental tax resulting from a

qualifying capital investment is determined as the pro rata share of the company's total tax based on the incremental tonnes of steel produced as a result of the new investment.

For a new entrant, all of the company's tax will be incremental and eligible for rebate. For an existing producer, the new investment may result in new product lines as opposed to an increase in the output of existing products. To better capture this reality for existing producers, technical amendments are being made to clarify that the rebate calculation will focus on the new product lines that result from an eligible capital investment rather than on the total production of the company.

Mr. Speaker, the changes being read a second time today are part of the government's plan to keep Saskatchewan strong. They keep our economy strong by keeping taxes low and maintaining the competitiveness of our tax regime. Mr. Speaker, I move the second reading of Bill 22, the Act to amend *The Income Tax Act, 2000*. Thank you, Mr. Speaker.

**The Deputy Speaker:** — The Minister of Finance has moved that Bill No. 22, *The Income Tax Amendment Act, 2016* be now read a second time. Is the Assembly ready for the question? I recognize the member from Saskatoon Centre.

**Mr. Forbes:** — Thank you very much, Mr. Deputy Speaker. It is a pleasure to enter into this debate on Bill No. 22, an Act to amend *The Income Tax Act*. And of course it's important to have this before us so we can study and understand the implications. Whenever you get a bill like this, they can be very technical and it takes a bit of a time to understand the full implications. And of course you even see that now we're seeing amendments to what was proposed last year.

[16:00]

But I do want to get some initial comments on the record because there are questions that we have about this bill and what it really means for the people of Saskatchewan, particularly after we've seen the budget that we have before us. And there are implications that cross over into other initiatives or cuts that this government has put forward, and I want to put those on the record and make sure we fully understand the implications of the legislation. You know, when we put bills like this before, there could be unintended consequences. We think we understand the full reach of all the legislation, but we need to make sure that we have some thought that goes into it. So we appreciate the opportunity this afternoon and into the week to make comments on this bill.

You know, there is five main parts to it and a couple that I may not get into. But I do want to talk a little bit about the first one, the first-time homebuyers tax credit and the connection with the graduate retention plan tax credit. And this one is one that this government had put forward in an election, and they did win the election on that campaign, so that's fair enough, and that's something. And we've seen that this has been taken up, and we'll have some questions about this. Of course whenever we talk about homebuyers in housing, we have to as well think about the whole scheme of what's happening out there in the housing world. And as the Housing critic, I look at these initiatives and I say, is this the most important initiative that we could have put forward in terms of the need out there?

This is one they campaigned on and we recognize that. They felt this was one that spoke to people in a particular sector, and it did. But when we look at other home or housing issues, particularly Housing First, that this government doesn't buy in to, and I mean that in terms of the financial support . . . You know, we see Saskatoon, Regina getting into that in a really huge way, huge way, and that's something right across the province because we know that we have still in our communities those who are what they call hard to house. And they may not be voters. They may not be people who get out to vote and so they don't actually make it on to the campaign promise trail very often. But this is something we urge the government to really look at because we see both Regina and Saskatoon getting into that and supporting it. And we would really encourage this government to do that.

But this is about the graduate retention plan tax credit and the \$10,000 down payment on a home. And we see that there are people already taking it up. And so we think that's fair enough, but we'll be watching that to make sure that it's used wisely and that again there are no unintended consequences. And people might get caught up in something that they didn't intend to. But clearly the government campaigned on it, and we are looking for them to complete their promise.

I mean it is interesting because the next item is also a campaign promise that they made several years ago, and here now they are wrapping it up and talking about eliminating the active families benefit. That's \$150 per child and it's a savings of 5.5 million. So if I do my math, that's got to affect at least 3,000-plus children. And it's interesting how the government is now putting this on to KidSport or Creative Kids. And we're familiar with both of those. And we do have some concerns that actually, are they really, you know . . . Is Creative Kids the same sector as this?

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

**Mr. Bonk:** — Request leave for an introduction.

**The Deputy Speaker:** — The member from Moosomin has requested leave for an introduction. Is leave granted?

**Some Hon. Members:** — Agreed.

### INTRODUCTION OF GUESTS

**Mr. Bonk:** — Mr. Deputy Speaker, to you and through you I'd like to make an introduction to some special guests that are seated in the west gallery — my wife, Candace, and my daughter Emma, my good strong support system there. I'm very happy to have them here today and they're just . . . I can't say enough of how they've supported me through this journey into politics. And I'd just like to say:

[The hon. member spoke for a time in Hungarian.]

So I'd like everyone in this legislature to join me in welcoming my wife and daughter to their legislature.

**The Deputy Speaker:** — I recognize the member from Saskatoon Centre.

### SECOND READINGS

#### **Bill No. 22 — *The Income Tax Amendment Act, 2016*** (continued)

**Mr. Forbes:** — Thank you very much, and that's a very good introduction. I hadn't heard . . . [inaudible] . . . like that before, but very good. Welcome as well.

So as I was saying, eliminating the active families benefit, we'll have to know more about the research when they said it didn't quite reach or meet the targets that it had set out to do, and how they are looking at Creative Kids or KidSport to actually meet that objective.

I'm not sure if that's the case because Creative Kids and KidSport I know are a direct grant to children who are looking to play a certain sport or get involved in a certain art, and it's a very straightforward thing. It's a grant. And so when you have a tax credit, that's very different. And so we know that people who are applying for tax credits quite often wouldn't qualify for that grant, because the grants are for lower income, and this tax credit was for probably a little higher tax bracket than what Creative Kids in art and KidSport were doing.

And I have to say a shout-out to Creative Kids and for KidSport. I'm familiar with both of them. They do a fantastic job, and I would really hope that they continue to do the work, and because they are fully funded as a non-government organization, that they don't feel pressure from the government to start to change their requirements because of this change. So we haven't contacted them, and we probably should talk to them and say, so the government is saying that you're going to meet their target — is that what you really think is going to happen? I don't know if that's going to happen. That would be very, very interesting to hear.

So there's some 3,000 kids. The other thing I'm thinking about when there are 3,000 kids, that we've been, every day I've been presenting a petition about heritage languages, and we know that impacts about 4,000 children. And we had just an example of a heritage language just minutes ago in this House and it was a very . . . as at the family root, and that's a wonderful thing.

And so here we have 4,000 children who are going to be impacted by the changes around the heritage language program. And that's a small, small, small amount of money compared to this \$5.5 million that this government is going to save by eliminating the active families benefit.

The active families benefit program right now is running about . . . It costs about 5.5 million to the government. They plan on cutting that and saving that and not sharing it. I mean it would be interesting if they said, okay, we are going to try to even spend a small amount of that 5.5 million — say 225,000. That would be a good round number that they could take from that and say, you know what? We're going to support something like the heritage language program because we know the heritage language program is impacting 4,000 kids. So now we have 7,000 kids in this province who are impacted by the changes. And if you . . . [inaudible] . . . your family, say that's 3 or 4,000 families.

Now interestingly the minister in the House defended the cuts to the heritage language program by saying it's only \$55 per student and a family can pick that up. Here we have that \$55, and if you add now the \$150, parents are being caught with an increase of \$200 more for active children who would be involved in sports or culture or the arts. And that's not a small thing if you have two or three or four kids. All of a sudden you're looking at 4 or 6 or \$800. That's a change in what this bill means to you. And of course then we can also get into the new increases in the drug plan as well. So all of a sudden it is costing some families more, and I don't know if the government has taken that into account.

The other one that I just want to make a quick note on, because I know there are many bills that we want to get to today, is around making housekeeping changes to reflect the middle-class tax cut and that's in brackets — the middle-class tax cut — introduced by the federal government. And we want to make sure we're very careful about this to make sure that tax cuts really actually do what they're intended to do, because as we understand the federal tax cuts that . . . The Liberals are saying this is for the middle class and it really isn't.

In Canada we know the median income is about 44,000, but the federal Liberal tax cuts doesn't impact anybody who makes 44,000. You won't be seeing a tax cut. Who will be seeing a tax cut are those who are making over \$200,000. Lucky them. And I don't know when the change of definition of middle class came, but usually I thought it was around 40 or 50,000. It was the working class, or maybe a little bit above that, but not the upper class. Clearly, \$200,000 you don't need a tax cut really, and that was not what the federal Liberals campaigned on. I don't think here in Saskatchewan we should be unintentionally supporting that.

Now we would want to know from the government — and we'll be asking these questions — have they done their homework on the impact of these housekeeping changes to reflect the middle-class tax cuts. You know, is it really . . . Is it helping the people who are making the high incomes, the over 200,000, or is it really doing the job of cutting taxes for the middle class? So we're aware of that and we're going to be watching that.

And we're going to be talking to the folks — especially in committee, the finance folks — to make sure that that's not the case; that in fact people who are middle class here in Saskatchewan, and I would say that's got to be . . . And it would be interesting to hear what the minister says about his definition of who the middle class is. Maybe his definition of the middle class is around 200,000, but I don't think that's one that we would accept on this side of the House. It would be . . . Middle class really usually means the middle or median income, so that would be around 44,000. So we think this is an important area to be watching for because we don't want to get caught up in unintended consequences. And we know the new government in Ottawa could be making some mistakes with their new changes.

So, Mr. Deputy Speaker, these are the three areas that I do want to focus on. And I think that it's really important that we do take a look and we do have some time to study these and find out what really the impacts will be, you know, the changes to the definitions of primary steel production. What is the impact

on that? What does that really mean?

We know that now in Saskatchewan's economy that it's not as robust as it was a couple of years ago. We hope that we can do things that will make sure it's stronger and actually creating new jobs. We're not seeing that. We've seen a loss of some 9,000 jobs year over year, and we want to see that be changed. So hopefully that does meet the goal of increasing jobs in that sector and also in the manufacturing processing sector, that people are being hired. And we want to know, does that really meet its job? And are people really being hired and is it doing, meeting the target that's set out? So I know our Finance critic will be hard at work in committee on these questions that I've laid out.

So with that, I just want to review before I wrap up in about five minutes here that we will be looking and talking about the graduate retention plan tax credit, that it's actually working and it's accessible to those who can really be excited about getting a new home, their first home. And that's what it's really meant to be.

[16:15]

We are going to be talking about the active families benefit. And I might actually come in and ask about that because I think that's a big issue, you know, when you have 3,000-kids-plus being targeted and having, losing \$150 towards a sport, whether that be hockey.

We had a great statement about Gordie Howe today. I think that the whole House got behind that 100 per cent. And the story of how he got started and how his mom bought a bag of clothes that had, there was a pair of skates in it. That was his first skates. Huge, huge impact. We've come a long way from there. And in some ways it's kind of sad because kids like Gordie Howe who was so poor and got a start like that, I mean his story, his early years really can choke you up about what happened in terms of . . . [inaudible interjection] . . . Yes, not quite in my constituency. I am so sad to say it's not mine, but in the great constituency of Riversdale, King George school. And I know there's probably a strong rivalry between King George and Princess Alex and Westmount and Caswell. I think he ended up in Mayfair; I'm not sure. But I digress.

But I know there's some interesting . . . Mr. Deputy Speaker, reflecting on that member's statement, you know, and the active families benefit, it seems odd that on that same day we have that bill introduced that would hurt kids, and here we are talking about that. So hopefully KidSport can pull up and fill that void, but I'm not sure when we're saying we've got 3,000 more kids for you to deal with. That's a big, big, a big, big ask.

So we'll be asking about that and we'll be asking definitely, Mr. Deputy Speaker, about the middle class tax cut. We're going to get more information on that and making sure that it actually does impact and really work for the middle class here in Saskatchewan. We have some big, big questions about that.

So with that, Mr. Deputy Speaker, I know we have lots of work to do today, so I want to wrap up my comments about *An Act to amend The Income Tax Act*. And I don't want to say anything about changing the name to the Gordie Howe Act or anything

like that. But I'll leave it at that, and I just want to adjourn the discussion right now. Thank you.

**The Deputy Speaker:** — The member from Saskatoon Centre has moved to adjourn debate on Bill No. 22, *The Income Tax Amendment Act, 2016*. Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Deputy Speaker:** — Carried.

**Bill No. 23 — *The Liquor Retail Modernization Act/Loi de modernisation du commerce des boissons alcoolisées***

**The Deputy Speaker:** — I recognize the Deputy Premier.

**Hon. Mr. McMorris:** — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, I rise today to move second reading of Bill No. 23, *The Liquor Retail Modernization Act 2016*.

Under Saskatchewan's current liquor retailing system, an uneven playing field exists. Currently only certain types of retailers are allowed to make decisions about their hours of operation, prices, and even the availability of chilled products. All of this is in the detriment of consumers. This bill will correct those issues.

It will create a single permit for all retailers of alcoholic beverages in Saskatchewan, that is alcoholic beverages to the general public. This new retail permit will apply to existing SLGA [Saskatchewan Liquor and Gaming Authority] stores, rural franchises, private liquor stores, and off-sale outlets as well as new operators entering the market.

These changes will be a key component to the new liquor retailing system our government ran on in this past election, Mr. Speaker. Most importantly, these changes will provide consumers with more choice, more convenience, and competitive pricing.

Mr. Speaker, I'm pleased to move second reading of *The Liquor Retail Modernization Act 2016*.

**The Deputy Speaker:** — The Deputy Premier has moved that Bill No. 23, *The Liquor Retail Modernization Act* be now read a second time. Is it the pleasure of the Assembly to adopt the motion? I recognize the member from Saskatoon Riversdale.

**Ms. Chartier:** — Thank you, Mr. Speaker. I'm pleased to rise to enter the debate about Bill No. 23, Mr. Speaker, *An Act to amend The Alcohol and Gaming Regulation Act, 1997 respecting Retail Sales and making certain other amendments*, or as the minister also said, *The Liquor Retail Modernization Act*, Mr. Speaker. It's a pleasure for me to be the first member of the opposition to put some comments on record.

I found it interesting, the minister's second reading speech that he just delivered right now, he talked about levelling the playing field, allowing alcohol . . . the opportunity for all retailers to be on the same foot, Mr. Speaker. But the one thing he didn't acknowledge is that as this government has been in power, they haven't allowed SLGA to in fact modernize. It's

interesting the name of this Act. That's what the NDP opposition has been calling for for a couple years now, Mr. Speaker, the opportunity to modernize, for SLGA to modernize and provide better services to Saskatchewan people, Mr. Speaker.

We've talked about things like growler stations, cold beer fridges, Mr. Speaker, kiosks, improving the existing stores, Mr. Speaker, to provide both better services, Mr. Speaker, to Saskatchewan residences. But that also translates into more revenue for the GRF as SLGA has returned hundreds of millions of dollars to the GRF, which provides education and health care and highways — all those things that we count on, Mr. Speaker.

But with respect to this particular bill, Bill No. 23, *The Liquor Retail Modernization Act*, what this particular bill does, as the minister said, it harmonizes the regulatory framework for liquor retailers and creates a single-permit system for all retailers, including off-sales, private stores, and franchises. It allows private vendors to sell special occasion permits and allows permit holders to purchase alcohol from the SLGA, the Brewers Association, or another retail store instead of the SLGA.

I haven't had an opportunity to fully look at this bill, and I know that we'll also be reaching out to stakeholders. But one thing . . . Actually speaking to a colleague of mine, she says she hopes that with this bill that some changes might be the opportunity to apply for a permit online and then go pick it up when you go to pick up your alcohol for a special occasion. She's pointed out that it can be hard, Mr. Speaker, when your garage doesn't hold 400 dozen beer, and so it sometimes necessitates a couple trips to the store, Mr. Speaker.

So in fact we're hoping that one of the opportunities here is the opportunity to apply online . . . [inaudible interjection] . . . I'm not quite sure why they're heckling. They find this quite amusing, Mr. Speaker, but in fact this is about creating an opportunity, making things a little easier, modernizing for people. We shop online. There are many things we do online, Mr. Speaker, and applying for a liquor permit and saving one trip to the store. So you apply. You get your permit and have the opportunity just to make one trip to the store, Mr. Speaker. So I know I'm hopeful that that might be something in this Act.

But again back to that notion of modernization. This is the name of this particular Act, *The Liquor Retail Modernization Act*, and this is something we've been calling on the government to do with respect to SLGA for quite some time, Mr. Speaker, allowing SLGA to be competitive, Mr. Speaker, and to serve Saskatchewan citizens well.

This government will be selling 40 SLGA stores, many in rural communities where those stores provide good employment, mortgage-paying jobs for people in the community, Mr. Speaker. I know knocking on doors during the election, I ran into many SLGA employees who were very worried about their colleagues in rural Saskatchewan particularly, Mr. Speaker, and actually quite frankly worried about their own jobs as this government's Bill No. 1 will take SLGA completely out of the Crown protection Act which means that down the road this government will do whatever it would like with respect to SLGA. So I know I had heard many concerns from people.

I'm thinking on a couple of doorsteps in Montgomery, Mr. Speaker, of people who've been able to earn a living, pay taxes, and contribute and take pride in the job that they do in ensuring that they are providing good public service in providing knowledgeable information about alcohol products but also making sure that they're selling to people who are of age, Mr. Speaker. I know that that's one concern that's been flagged around the privatization of stores.

And I can tell you anecdotally, Mr. Speaker ... [inaudible interjection] ... I'm not sure what the member from Martensville-Warman is heckling about, Mr. Speaker, but she's awfully loud today. I noticed that during question period as well, Mr. Speaker. I know anecdotally from my own experience working actually in a ... I've worked in many bars in my university days, Mr. Speaker. One of them happened to be Louis', the campus pub, which was a unionized facility, Mr. Speaker. And one of the great things about Louis', we made just a little bit more than you would like a dollar or two more than minimum wage.

But the one thing that that organization provided us was really good training, Mr. Speaker, to make sure that we were serving responsibly and knowing when to not serve people more alcohol, Mr. Speaker. And I know that some concerns with some of the possibility of privatization where money and profit becomes extra imperative, Mr. Speaker, and you might be dealing with a really small store who has a very small staff so maybe training won't be the top priority for some of these stores, Mr. Speaker.

So when it comes to selling some of these liquor stores, it's about good-paying jobs, but it's also about making sure ... [inaudible interjection] ... I am not sure what the member from Martensville-Warman has eaten here today or drank, Mr. Speaker, but she's got some serious issues here today, Mr. Speaker. I'm sure she could probably be heard on the video today, Mr. Speaker. Anyway there are many concerns with the privatization of liquor stores, Mr. Speaker.

I did actually really enjoy the hearings last week. I sat in my office. I wasn't in the committee room. But I like to think it's important to hear all sides of the debate, Mr. Speaker, and I really thoroughly enjoyed listening to the presentations last week on Bill No. 1, Mr. Speaker. And I know an organization like Sobeys actually took great pride at one of the things I heard from them last week. They took great pride in both their training of their staff which again this is something that I'm talking about, the ability to train staff to provide the best quality public service but to know that you're serving people who are of legal age, Mr. Speaker. Those are all very important things when it comes to the sale of alcohol.

And unfortunately sometimes smaller organizations or smaller businesses, not that they're not well-meaning and well-intentioned, but don't have the capacity to do that, Mr. Speaker. Mr. Speaker, I think that there are, there are ... [inaudible interjection] ... Mr. Speaker, I'm not sure why the member from Martensville-Warman, the Minister for Highways, is so chirpy today, Mr. Speaker. Not a clue. Not a clue. Anyway the privatization of these 40 stores is of huge concern to many people throughout Saskatchewan and, as I said, during the campaign I heard that on the doorstep.

But we will have an opportunity in this Chamber to debate Bill No. 1, but right now we're on Bill No. 23, *The Liquor Retail Modernization Act*. Again there are reasonable things that the minister is proposing but like I said, we're hopeful that there will be some other inclusions discussed — the opportunity, as I said, to buy a permit online perhaps. But with that, Mr. Speaker, I know I have colleagues who will enter the debate after me. I would like to move to adjourn debate. Thank you, Mr. Speaker.

**The Deputy Speaker:** — The member from Riversdale has moved to adjourn debate on Bill No. 23, *The Liquor Retail Modernization Act*. Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Deputy Speaker:** — Carried.

### **Bill No. 24 — *The Liquor Retail Modernization Consequential Amendments Act, 2016***

**The Deputy Speaker:** — I recognize the Deputy Premier.

**Hon. Mr. McMorris:** — Thank you, Mr. Deputy Speaker. I rise today to move second reading of Bill No. 24, *The Liquor Retail Modernization Consequential Amendments Act, 2016*. The amendments outlined in this bill explain some of the language and definitions in *The Alcohol and Gaming Regulation Act, 1997* and will ensure that *The Liquor Retail Modernization Act, 2016* will have the necessary clarity it requires. Mr. Speaker, I'm pleased to move second reading of *The Liquor Retail Modernization Consequential Amendments Act, 2016*.

**The Deputy Speaker:** — The Deputy Premier has moved that Bill No. 24, *The Liquor Retail Modernization Consequential Amendments Act, 2016* be now read a second time. Is the Assembly ready for the question? I recognize the member from Saskatoon Riversdale.

[16:30]

**Ms. Chartier:** — Thank you, Mr. Speaker. Again it's my pleasure to put the opposition's first comments on the record about Bill No. 24, *The Liquor Retail Modernization Consequential Amendments Act, 2016*, Mr. Speaker. The minister just finished saying that this bill will give the Bill No. 23, the previous bill, the necessary clarity it requires, Mr. Speaker. I'd like to put on the record here some of those comments about what that necessary clarity might look like, Mr. Speaker, but in terms of my comments around the concerns about modernization of SLGA and liquor retailing in Saskatchewan, my comments from the previous bill still stand.

But with respect to Bill No. 24, what does this bill do, Mr. Speaker? So amendments ... I'd like to take a look at the explanatory notes to let the general public know a little bit about what this bill will do:

Amendments to section 2 will change “valuable consideration” to “consideration” as “valuable consideration” is a legal expression or concept. “Consideration” is a defined term in this Act, so “valuable”

is not necessary. Also, gender specific references have been changed to “him or her.”

And, Mr. Speaker, I actually in this Assembly have had the opportunity to put on the record that using specific language, Mr. Speaker, around gender is very important. And so I'm pleased to see that this is part of the bill.

Amendments to section 2 will also add definitions for retail store and retail store permit. The definition of special liquor vendor is being repealed. Retail stores will include those stores operated by Saskatchewan Liquor and Gaming Authority and private stores.

So amendments to section 2 will update the definition of value to address changes to *The Alcohol and Gaming Regulation Act 1997* that will allow retail stores to establish their own current list prices and that have allowed customers to bring their own wine into restaurants. These restaurants are allowed to levy a corkage fee or bring-your-own-wine charge on the customer, and as the wine is consumed in a licensed premises, the levy that is charged for this service is taxable.

Mr. Speaker, what else will this amendment do? Amendments to section 3 are housekeeping in nature and clarify the collection of the levy, that it's on behalf of the Crown in right of Saskatchewan. This subsection also is being amended to delete the reference to special liquor vendor. This bill also, Mr. Speaker, amendments to section 4 are housekeeping in nature again and clarify that collection of the levy is on behalf of the Crown in right of Saskatchewan.

And, Mr. Speaker, another piece here. Application for a special licence is being amended. Amendments to this section remove references to special liquor vendor, which is being repealed as it refers to the holder of a franchise pursuant to *The Alcohol and Gaming Regulation Act 1997*.

There is also a housekeeping amendment to change gender specific references, and again I've put on the record in this House the importance of gender language. The terms that we use I think send messages about ourselves, Mr. Speaker, and that's an important change. This is another housekeeping amendment with respect to the restoration of special licence, section 17. It's a housekeeping amendment to change gender specific references again, Mr. Speaker.

And we have finally two more points, Mr. Speaker. An amendment removes references to special liquor vendors and outlets operated by the Liquor and Gaming Authority and replaces them with references to holders of retail permits.

And one final point, Mr. Speaker, changes to specified sections and subsections will come into force on the proclamation of *The Liquor Retail Modernization Act* since their implementation is contingent on the implementation of that previous Act which I just spoke to, Mr. Speaker.

So I hope . . . Those are what the minister is proposing and the changes, the necessary clarity that Bill No. 23 requires, Mr. Speaker. But with that, I know I have colleagues who will want to speak to both Bill 23 and 24, and their concern really around the lack of modernization, this government's unwillingness to

allow SLGA to modernize and move into 2016, Mr. Speaker. So with that, I would move to adjourn debate.

**The Speaker:** — The member has moved to adjourn debate on Bill No. 24, *The Liquor Retail Modernization Consequential Amendments Act, 2016*. Is the Assembly willing to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Carried.

**Bill No. 25 — *The Wakamow Valley Authority Amendment Act, 2016***

**The Speaker:** — I recognize the Minister of Parks, Culture and Sport.

**Hon. Mr. Docherty:** — Mr. Speaker, today I rise to speak about *The Wakamow Valley Authority Amendment Act, 2016*. As you know, budget 2016-17 controls spending. The province is eliminating funding to urban parks for the savings of \$540,000 over last year. Funding for the Wakamow Valley Authority has been eliminated for a savings of \$157,000 over last year. In order to eliminate funding, we've amended the Act to remove the section that deals with provincial statutory funding.

In the past urban parks have been jointly funded by government, the cities, and in some cases, universities and rural municipalities. Since 2007-08, the Government of Saskatchewan has provided record grants, an increase of more than 100 per cent to municipalities through municipal revenue sharing. After multiple years of providing increased grants which are tied to the PST [provincial sales tax], the government is now asking those communities to take financial responsibility for their urban parks.

The government's municipal revenue-sharing program distributes funding to municipalities who in turn make decisions about local funding priorities. To conclude, I move second reading of *The Wakamow Valley Authority Amendment Act, 2016*. Thank you, Mr. Speaker.

**The Speaker:** — The Minister of Parks, Culture and Sport has moved second reading of *The Wakamow Valley Authority Amendment Act, 2016*. Is the Assembly ready for the question? I recognize Saskatoon Nutana.

**Ms. Sproule:** — Thank you very much, Mr. Speaker. And as always, it's a distinct honour to be able to rise in the Assembly to provide commentary on government bills that they're introducing. Today obviously we're in the second reading stage now for this bill, Wakamow Valley Authority Act.

Many of these . . . Obviously many of these parks that are being affected by cuts in the budget have their own legislation, and that's what's going on in this case, Mr. Speaker. I don't know if the other four parks that are receiving cuts have their own legislation like this one and why we're only considering this one at this time, but I would have to check all the legislation to see.



But at any rate, we're talking today about *The Wakamow Valley Authority Act* and the beautiful Wakamow Valley in the beautiful city of Moose Jaw, Mr. Speaker. Clearly these spaces are spaces that are valuable to the citizenry, not only of the city in which you locate them, but certainly the people that come to visit the city. And so it's a bit disappointing to hear the minister use language like controlling spending or providing savings, when what we're really talking about here, Mr. Speaker, is a cut. This is a cut to funding. It was a tri-lateral arrangement in the Act as it exists right now where we had three levels of funding, the urban municipality and secondly any rural municipalities, and the province has always been a partner in this kind of funding.

Now the cut that we're talking about here, where the province is cutting its funding, they're using the municipal revenue sharing as the justification for the cuts. But I think if you talked to any municipal authority including the RMs or this urban municipalities, they've expressed grave concerns that although the municipal revenue and sharing is now tied to the PST, that still these cities are growing, and that the costs of running these programs is also increasing as well.

And I think the example that we see with the Meewasin Valley Authority is a good example of how they've managed to deal with the funding levels have been decreasing per capita on a very drastic basis. And certainly, Mr. Speaker, many members opposite have seen these numbers, particularly the members from Saskatoon, I'm sure will have seen the numbers where the level of funding per capita in Saskatoon for the Meewasin Valley Authority has dramatically decreased. The city has done what it can and continues to do that and continues to increase funding as best they can. But I think what's missing in this framework here — and we heard the Minister of Highways talk about early today in relation to Prince Albert — is that there are provincial responsibilities involved with these kinds of municipal projects. And for the government to off-load onto already strapped municipal authorities is unfair. I think it's mean-spirited.

And these are small, small cuts. When we look in this case, I think the provincial government was providing — I'm just going to check section 56 to be sure here because that's the section — \$127,000, Mr. Speaker, \$127,000 when we're looking at a deficit of over 1 billion. I think \$1.7 billion. So this is less than one per cent. It's probably, I don't know how many zeros. I have to take out my calculator to figure it out, but \$127,000.

Are you kidding me, Mr. Speaker? I mean this is something that the city needs. They rely on it. They don't have any ability to raise the funds any other way, and unless they start charging people admission to these parks, it's going to be a loss that's going to be felt by many, many people. And as you know, Mr. Speaker, I think if you take a stroll in any one of these urban parks in Saskatchewan, you're going to see people enjoying them that are people that don't have high levels of income as much as other people do. And you see families out enjoying being in the beautiful Saskatchewan weather. If anybody took a stroll this weekend on the Meewasin Valley . . . I know I often see families having barbecues and enjoying what mother nature has to provide in our beautiful urban parks.

So these kinds of cuts are mean-spirited and they're painful, Mr. Speaker. They're painful to the communities. They're painful to the people who use the parks for their enjoyment, and they're painful to the people who come to visit. And whenever I have friends come to visit in Saskatoon, that's the first suggestion is to go walk along the Meewasin Valley. It's only, you know, four blocks from my house, and this is something I'm very proud of and very glad that our governments, our provincial government and our federal government and our municipal governments all support because it takes all levels of government to make these projects viable.

And I think this off-loading \$127,000, really, Mr. Speaker, that's something that's really hard to understand, why that kind of money couldn't be located when we're finding millions of dollars for other projects — \$127,000. I really have difficulty understanding what the motivation is here for this government to make those kinds of petty cuts when they know the hardships it's going to put on the rural municipalities and the urban municipalities where these parks are located.

So I'm not sure what the minister is hearing from other folks who are concerned. I know there's been a lot of concern about changes and cuts to the Meewasin Valley Authority because of the parsimonious nature of these types of cuts. And it's really hard to believe that this government is doing that at this point when this payment has been in place for over 20 years I think, Mr. Speaker, certainly since 1997 and possibly longer. That's the last time this section was amended, was in 1997, so we're looking at at least 20 years. So record revenues, and here we are. Cuts like this, \$127,000 to a small urban park in a beautiful city where people rely on this kind of support from their provincial government — where their tax dollars are going — and they see these kinds of cuts.

Mr. Speaker, I'm just going to talk a little bit about the actual mechanics of the bill. There's a number of sections here. Section 5(9) is being amended, and the only . . . It's a correction being made there where there's been a name change to another bill, so it's being reflected here in this bill as well. It's no longer *The Legislative Assembly and Executive Council Act, 2007*. It's just *The Legislative Assembly Act, 2007*. So that makes sense.

Section 56 is being repealed and replaced, and this is the one where we see this mean-spirited and small, painful cut that is being made to the Wakamow Valley Authority. So originally the way this section was set up was that there were three parties that would pay amounts to the authority, the Wakamow Valley Authority. First of all, the city itself, which is continuing under the bill to pay \$190,500 to the authority. And this section (b) is the one that really hurts. This is where they're just cutting it out: "in the case of the government, \$127,000" — \$127,000.

And again the language that the minister is using is controlling spending and providing savings. This doesn't provide savings to anyone, Mr. Speaker. It just causes pain and hardship for the people that enjoy these kinds of wonderful opportunities that are the responsibility of government. I don't know why they think it's not their responsibility anymore. Why do we pay taxes? It's for those services that we could enjoy. So if they can't balance that out, \$127,000, it just seems so mean-spirited, Mr. Speaker.

The third party that pays in this is clause (c) of section 56, which is now becoming (b), is the rural municipalities. Each rural municipality that participates in the authority is required to pay \$1,500. It's not clear to me how many RMs are actually involved in the Wakamow Valley Authority, but they would pay a small stipend as well of \$1,500. Not a lot of money, Mr. Speaker, and I'm not sure how many RMs would be contributing. I don't think it would be a large number. So that certainly isn't going to help with the loss of that \$127,000.

Probably . . . Well at least two-thirds of the funding that the city already pays, and I don't know where the city's going to find that extra \$127,000 to just maintain the level of funding that the Wakamow Valley Authority has. And certainly I can imagine their expenses are going up as well. We know that the power bill is going up by 10 per cent for sure, Mr. Speaker, or more than 10 per cent. They're going to have other increased costs for staffing, and to fix this statutory amount and remove it in this way is one that's going to cause severe hardship, I would say, for that authority to carry on with its business.

[16:45]

I'm obviously more familiar with the Meewasin Valley Authority and have met with them on a number of occasions, raised it in committee with the minister and the former minister as well, about the need for attention to make sure these parks are maintained.

And we see what happens now. We're losing I think three jobs in Saskatoon in the Meewasin Valley Authority. They're closing the centre, the beautiful centre that has been in place serving the public, serving tourists, serving the members of the community for years, and it's closing. So that's the interpretive centre is closing. That was announced last week because there's no funding. And their funding has been so undercut. I don't know that Wakamow Valley Authority, with the statutory levels being set as they are, would be in any better situation than the Meewasin Valley Authority.

And certainly we want to take an opportunity as these bills go forward to talk to the people that live in Moose Jaw. We want to talk to the city council. We want to talk to the rural municipalities that have contributed over the years and whose citizens also enjoy the pleasures of that urban park. So it's unfortunate that we see this clause 56 being changed in this way.

The next section that's being changed or repealed is section 57, which of course follows from section 56. The clause currently reads as follows: "Any sums payable by the government pursuant to section 56 are to be paid out of the general revenue fund." So it's a very clear intent of the legislature . . . This is back in 1980 so this looks like this has been in place for over 30 years. We've been through a lot of rough times in those 30, 35 years, 36 years, Mr. Speaker, and we've always managed to see our provincial government contribute in a meaningful way to the operation of this authority. So because there's no more government payment under this statute we of course would have to see section 57 repealed. And that's just part of this mean-spirited cut that we see from the budget coming forward, Mr. Speaker.

The next section of the bill that's being changed is section 61. In that bill, again it's just to adjust so that we no longer refer to the provincial government's contribution under this statute. And it used to read: "One-fourth of each of the sums to be paid by a participating party during a fiscal year . . . becomes due . . ." And there was quarterly payments that were due under this section. And they're referring to participating parties, but of course the government's no longer part of the party, Mr. Speaker. They've left and so we have to amend this section as well.

Section 61 just now refers to participating parties but not to the provincial government because they're no longer involved in the funding of this particular authority, the Wakamow Valley Authority. The clause obviously still applies to the other funding partners which in this case, as mentioned earlier, are the city of Moose Jaw and the rural municipalities that also participate.

The next one that's being changed is section 62. And here we have the clause . . . There's a number of housekeeping changes that are being made here, it appears, but really since the government is no longer a funding party, they're repealing this section and replacing it with a clause that still applies to the other funding parties but not to the government. So I don't really see any changes on this other than reference to an authority, an amount . . . Oh, sorry, I'm going to restate that. The change that's here is that it refers to an authority that is required to pay an amount. So obviously in this case it's no longer the provincial government but it is the city itself and the rural municipalities. So it makes it very, very clear that no longer is the Government of Saskatchewan a participating partner in this particular bill.

The next one that is being changed is section 63, and again this is the reference to participating parties under section 56(1). Then we will be able to again remove the government as one of the participating parties. And I'm just going to look at the specific changes to section 63(3). It's about temporary loans and repayment of temporary loans. So this is the section that allows the authority to actually borrow money and pay them in a reasonable and responsible fashion to make those repayments. But the aggregate of the sum . . . So section 3 talks about the total or aggregate of the sum that can be borrowed. And they're saying it can't, they can't borrow more than one-half . . . Now what does it say now? It says one-half of the total of the amounts payable by the participating parties to section 56(1) in respect to that fiscal year. So it's being changed now to read, by the city and to the rural municipalities.

So again because we're losing a significant amount of the funding that's available to Wakamow, this is going to also affect their ability to do their business because their ability to borrow sums is now cut considerably, Mr. Speaker. Indeed half of \$130,000 is \$65,000 of borrowing room that . . . 127, so that is sixty-three five, \$63,500 is no longer available to them under the borrowing limits. I'm not sure why the government decided to leave it at one-half because obviously that will have an impact on the authority's ability to do business.

One of the, I guess, the intent of the section there is to ensure that they don't over exceed their borrowing amounts. But if they want to do any kind of capital improvements, this will

certainly limit their ability to be able to look after their changes or the improvements that they need to do. And again because these are statutory sums . . . and as I pointed out earlier, the amounts haven't changed, I can tell, since 1997. So these statutory amounts have been fixed for almost 20 years. It's \$127,000 that the government is no longer making available under statute. And I think the only thing we can hope is that this government will find ways to make that money available through other means if it's outside of the statutory exemption that the Act currently provides.

We know that in this budget there's other bodies that are being affected as well. There's been a number of other cities that have received the same kind of news. Again I don't know what kind of statutory requirements are in place for those, because this is the only bill that we're dealing with at this point in time. But I think the cuts there are obviously being done through other means if not through specific bills.

And as I mentioned earlier, the minister's characterization of this is really unfortunate because he just simply can't use the word cut. He seems to be averse to the word, and yet that's the most descriptive thing we have when we talk about what's going on here in this particular bill.

And you know, I just think again about the Meewasin Valley Authority and the importance it has to the people of Saskatoon. If you recall, Mr. Speaker . . . I'm sure you've probably even taken family and visitors out to the Beaver Creek place where there's lots of activities for kids so that children can understand how beavers can change a river system and how they affect the geography of the place. We have two amazingly talented biologists who are losing their jobs now because of the impact of the cuts, the impact of the failure of this government to even increase funding when, as you know, all their costs are going up much higher.

And again, what we see is with the government's new version of revenue sharing in terms of 1 per cent of the PST, they're saying to municipalities effectively, deal with it. It's your problem now; we're not going to be helping you out any more and this is your responsibility.

And as you know, Mr. Speaker, it's very difficult for rural municipalities and urban municipalities to make those kinds of revenue adjustments when it means they're the ones that are going to have to raise the taxes. It's just pushing it down the line. And we see that in a number of instances in this budget where the government, instead of supporting relevant and positive programs such as the Wakamow Valley Authority . . . And I don't know if this is part of transformational change. If it is, Mr. Speaker, I don't like it. Because transformational change doesn't mean . . . I hope to goodness it doesn't mean a series of mean-spirited, small cuts that are going to nickel and dime the people of Saskatchewan when we know the structural problems that we see in this budget go way beyond \$127,000. It goes way beyond \$1.127 million. It goes way beyond \$100.027 million. We're talking about billions of dollars, Mr. Speaker, and this is not going to deal with that issue.

When we see structural spending at limits that have never been imagined before, and borrowing to boot to support that spending, Mr. Speaker, why would we look at cuts like this

\$127,000 that's been in place for almost 20 years in a bill that's been around for over 35 years? Like, surely to goodness, transformational change doesn't mean picking away at small programs like this.

And we have to really wonder what sort of discussions this government is going to undertake when it looks at what transformational change is. We know the minister's indicated that everything's up for grabs. Everything's up for grabs. So we have pundits asking now, well does that mean the number of MLAs [Member of the Legislative Assembly] is up for grabs? Very interesting question, Mr. Speaker. And we'll look forward to those discussions as the government begins its broad review of all the programs that are in place and deciding what the role of government is.

As I pointed out in my budget speech, Mr. Speaker, why now? That's the good question. Why is the government just now deciding it wants to decide what program roles are? It's been around for over eight years, and now is when it's starting to decide whether programs are available. That kind of planning makes me worry about our future. And I think it's reflected very clearly in what we see here today, because if these picayune cuts, when we're looking at over \$1 billion in debt, are how this government is going to deal with the big problem, it's like putting a Band-Aid on an amputation, Mr. Speaker. It just doesn't make any sense.

This government needs to take responsibility for its uncontrolled spending. It needs to take responsibility for the fact that it blew through the best revenues we've ever seen as a province in the last few years. And now that we see that revenue declining to make it a smaller percentage of the revenues that we take from the taxpayers, that we take from our Crowns, and that our natural resource revenues aren't going to be the be-all and end-all for us this year in our budget, then we have to see a government take responsibility for that. And as far as I'm concerned, Mr. Speaker off-loading this onto smaller urban centres like Wakamow Valley Authority are just plain mean-spirited.

I know that other of my colleagues are going to want to be able to get in on this discussion, Mr. Speaker, and given the late hour that we're in right now, at this point I would move that we adjourn debate on Bill No. 25, *An Act to amend The Wakamow Valley Authority Act*.

**The Speaker:** — The member has adjourned debate on Bill No. 25, *The Wakamow Valley Authority Amendment Act, 2016*. Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Carried. I recognize the Government House Leader.

**Hon. Mr. Cheveldayoff:** — Thank you very much, Mr. Speaker. To facilitate the work of committees later this day, I move that this Assembly do now adjourn.

**The Speaker:** — It has been moved that this Assembly do now adjourn. Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Carried. This Assembly now stands adjourned until tomorrow at 1:30.

[The Assembly adjourned at 16:59.]



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