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Legislative Assembly of Saskatchewan

DEBATES and PROCEEDINGS

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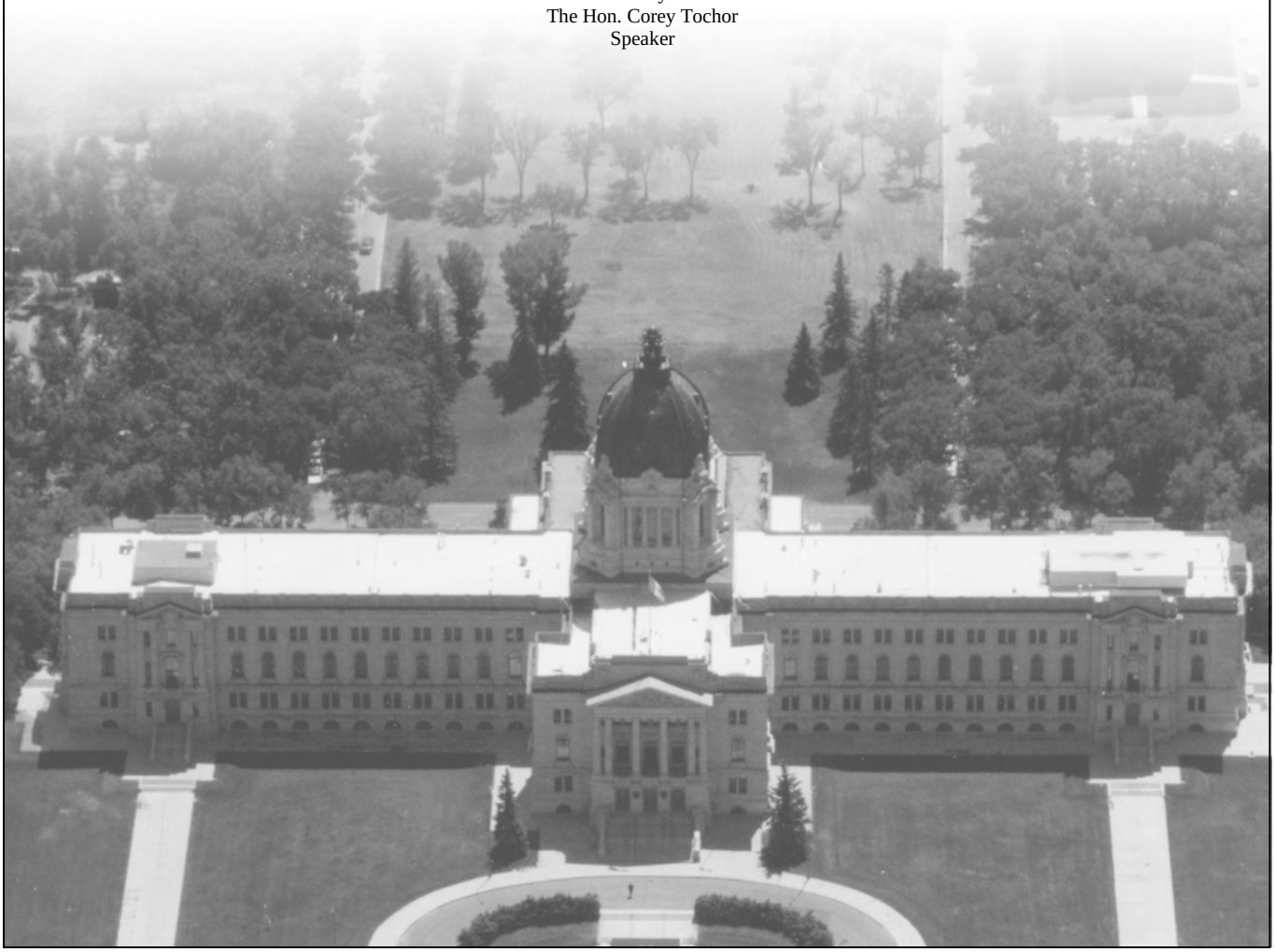
The Hon. Corey Tochor
Speaker



N.S. VOL. 58 **NO. 34B TUESDAY, NOVEMBER 1, 2016, 19:00**

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1st Session — 28th Legislature

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[The Assembly resumed at 19:00.]

EVENING SITTING

The Deputy Speaker: — It now being 7 o'clock, I'll call the Assembly to order.

GOVERNMENT ORDERS

ADJOURNED DEBATES

SECOND READINGS

Bill No. 40

[The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Wyant that **Bill No. 40 — *The Interpretation Amendment Act, 2016/Loi modificative de 2016 sur l'interprétation*** be now read a second time.]

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

Ms. Sproule: — Thank you very much, Mr. Deputy Speaker. And I hope to pick up where I left off just before the break and provide some further edification and commentary on the notion of privatization and what's being proposed by the government in this rather strange bill where we see sort of a back door entry into the world of privatization through something called *The Interpretation Act*, Mr. Speaker. And I highlighted a few concerns before the break, and I have several more to raise before I finish my comments this evening.

One of the things that I think is important to note about this bill is the fact that the government is creating something that doesn't exist pretty much anywhere else in terms of a hybrid publicly owned, privately owned corporation. Privatization has occurred in many, many, many different forms throughout the western world and actually throughout the world in the last 40 years since the advent of neoliberalism in mainstream governments.

But what's happening here, I've tried to find examples of, and perhaps some exist, but in my research that I was able to do, I wasn't able to find any examples of this beast that can only be called a hybridization of public and private ownership in one particular animal.

And what it reminds me of, Mr. Speaker, is a children's story that I used to read to my kids, and it's a little bit scary. Of course, in this story, things actually end all right. But see if I can find it here; maybe I've lost my tag. It'll show up eventually and some of these tags I want to speak to.

At any rate, I guess I'll start instead with a story. And one of the things we do talk about here, Mr. Speaker, is the notion that past behaviour is a good indicator of future performance. And I think we have a good example of that in something that happened in 1986. And this a story about SaskEnergy. So I'm going to read from a book called *Privatizing a Province: The New Right in Saskatchewan* by James Pitsula and Ken Rasmussen. And this book was published, I believe, in 1990, Mr. Speaker. This talks about . . .

An Hon. Member: — Who is it dedicated to?

Ms. Sproule: — Oh, and it is actually dedicated to the memory of Tommy Douglas. So there you go, Mr. Speaker. My colleague is obviously familiar with the book.

This is the story of SaskEnergy, and here's how it goes:

> The decision that finally turned public opinion against the Devine government's privatization campaign was the attempt to sell SaskEnergy, the natural gas division of SaskPower. When Devine initially announced his privatization program, he had specifically exempted public utilities. [That sounds familiar, Mr. Speaker.] Despite this clear and unequivocal commitment, Eric Berntson, the minister responsible for SaskPower, informed the legislature in May of 1988 that SaskPower was being split into two parts, an electric utility and a natural gas utility, the latter renamed SaskEnergy. When asked whether this separation was preliminary to the privatization of the gas division, Berntson answered that it had "absolutely nothing to do with the sell-off of anything."

That sounds remarkably familiar to some of the commentary we're hearing from the Minister of Justice this week, Mr. Speaker. Now I'll continue:

> Despite this assurance, George Hill, the president of SaskPower, stated in January 1989 that the only thing holding back the privatization of SaskEnergy was cabinet approval. Hill, a lawyer from Estevan, was a former provincial PC party president and had helped arrange for Grant Devine to be parachuted into the Estevan constituency. He was both a power to be reckoned with in the Tory Party and a strong supporter of privatization; when British privatization expert Oliver Letwin came to Regina, he worked out of an office down the hall from Hill's office in the SaskPower building. Given Hill's political influence, his public statements hinting at the sale of SaskEnergy had to be taken seriously.
>
> Deputy Premier Berntson began to go through various verbal contortions to explain away the fact that the government intended to privatize the utility.

And I'll stop there for a second, Mr. Speaker. Again we see this same kinds of verbal contortions taking place here this week when we see this government attempting to redefine privatization to create this beast of this hybrid private-public corporation with no regard to all the legal implications and certainly all the confusion that it's going to create.

I'll continue:

> When asked what Devine had meant when he said "basic utilities" would not be touched, Berntson replied that the natural gas distribution system was not a utility. Pressed to define what he meant by a "utility," he irritably advised the reporter, "Look, if you're looking for a definition, ask Webster." [He didn't ask the World Bank, he asked

> Webster.] Webster's dictionary defines a utility as "Something useful to the public, especially in the service of electric power, gas, water, telephone, etc." George Hill did not bother with these linguistic gymnastics: "The opposition will attempt to say that Devine changed his mind. I say, so what? It happens every day of the week in everyone's life."

So we go on:

> One of the main reasons Hill gave for the privatization was the need to reduce SaskPower's $2.2 billion debt . . .

Now again, Mr. Speaker, I'm shocked by the familiarity of this problem and the situation that we find ourselves in here today, which is 20 years later, basically. This consumed the debt . . . I'll continue the quote:

> . . . which consumed 40 cents of every dollar paid by Saskatchewan consumers to meet interest charges. According to Roy Billinton, an engineering professor at the University of Saskatchewan and former member of the Public Utilities Review Commission, the debt had swollen so large because from 1975 to 1985, the government had skimmed off about $100 million in SaskPower profits and added them to the general revenue. If the corporation had been allowed to keep these profits as retained earnings, its borrowing requirements would have been reduced. Billinton also suggested that power rates had been kept artificially low, reducing revenue and forcing SaskPower to borrow more.
>
> George Hill attempted to pin the blame for the debt on the NDP [again, a familiar story, Mr. Speaker]. He charged that the NDP had demanded dividends from a company that could ill afford huge payouts and had lacked the political guts to raise electricity rates, preferring instead to borrow huge sums in New York. He also alleged that the NDP had spent money wastefully, eventually amassing a SaskPower payroll of 3,610 employees, 801 of whom had been eliminated by the PC government.
>
> In all his railing against the SaskPower debt, Hill failed to mention that it had soared from about 1.4 billion in 1982 to 2.1 billion in 1987. Since he had either been chairman of the board or president of the corporation during most of that period, he had obviously been slow in coming to the conclusion that the size of the debt was insupportable. But now that the debt had been identified as a problem, the Devine government proposed the sale of the natural gas side of SaskPower, which had assets of $879 million, as the solution.

Again history repeats itself, Mr. Speaker. We're hearing today how the debt is causing problems for this government, and they're looking for transformational change, which may mean going back on their promise to not privatize the public utilities of this province. Carrying on:

> The cash raised would be used to retire a portion of the debt [again, familiar noise] thereby reducing SaskPower's interest charges and enabling it to keep electricity rates down. The Tories promised that in the three years following the privatization of SaskEnergy, electrical rate increases would be kept below 3 percent per year and that they would be kept below the rate of inflation for ten years. To sweeten the pot even more, the government promised to cut electricity rates for all skating and curling rinks in Saskatchewan by 50 percent, a policy that was sure to win votes in the province's many small towns, where the ice rink served as the main community centre. In addition, all Saskatchewan residential and farm customers would be provided with a 5 percent discount on their electricity bills up to $100. This could either be taken as a cash saving, or in the form of free shares in SaskEnergy. And, in the event that all of these inducements were not enough, the government pledged to put some of the money raised from the privatization into a fund to support economic diversification. The fund would make available to new industries $10 million per year for a minimum of four years.
>
> The natural gas side of SaskPower was far more profitable than the electrical side. Over the preceding ten years, the gas division had made $407 million while the electrical division lost $25 million, and the gas side accounted for 27 percent of the corporation's assets and 82 percent of the retained earnings, but only 13 percent of the long-term debt. Privatization opponents pointed out that the sale of an asset would not, in the long term, improve the corporation's financial position.

Again, eerily resembling discussions of today, Mr. Speaker. I will continue:

> If an asset was capable of generating a profit in the private sector, there was no reason why it should not be capable of generating a profit in the public sector. It seems odd that for decades, SaskPower had been able to manage in both good and bad economic times, including the Great Depression, without having to resort to selling income-earning assets. But in 1989, apparently this was no longer possible.

Again, reminds me of today's discussion. Carrying on:

> Debt had its cost in the form of interest charges [this is what we're hearing now] but so did equity investment because investors expect a return on their investment in the form of dividends or capital gains. The money that would be going to the shareholders in SaskEnergy was money that would not be going to the owners of the Crown corporation — that is, the citizens of Saskatchewan.

This is clearly what's going on here today, Mr. Deputy Speaker. Carrying on:

> According to the terms of the privatization of SaskEnergy, shareholders would receive a guaranteed annual dividend of "approximately 10 percent" and a five-year guarantee of the principal. That was a share that bore a suspicious resemblance to a bond.

Now we haven't heard any of these details yet in what's forthcoming, but of course the government has to get their backdoor bill in before any of this can even start, Mr. Speaker,

because they're going to undercut the provisions of the Crown protection Act and they can't do that until this bill is passed.

I'll carry on:

> The various lures attached to their privatization proposal — the 50 percent reduction in electricity charges for hockey rinks and curling rinks, the $100 worth of free shares to all SaskPower customers, the diversification fund — were essentially window dressing; even such a devoted privatization booster as business columnist Bruce Johnstone admitted that these inducements "reeked of political opportunism."

Another concern raised by the privatization centred on gas rates.

> With SaskEnergy as a private-sector monopoly, what assurances was there that the service would not deteriorate or that consumers would not be charged excessive rates? The government proposed to appoint a commissioner with a 10-year term and power to review SaskEnergy's rates every three years, but the absence of an annual review and the refusal to allow the commissioner to hire any staff beyond a secretary ensured that the rate regulation would be ineffective. The proposed method of regulating TransGas, the SaskEnergy subsidiary in the business of transporting natural gas long distances and for large industrial users, was similarly toothless: the regulatory board was allowed to review TransGas rates on a "complaint basis" only, and for no longer than 12-month periods.
>
> Another major criticism of the privatization focused on the question of who would control SaskEnergy after the sale. The government attempted to put these concerns to rest by legislating restrictions on the private company.

Now today, Mr. Speaker, what we see is this notion of 51 per cent, 49 per cent as the government control.

> The head office was to remain permanently in Saskatchewan; two-thirds of the board of directors were to be Saskatchewan residents; the initial share offering was made to Saskatchewan residents only, and no foreign ownership was to be allowed; and no shareholder, apart from SaskPower, could hold more than 8 percent of the total shares.
>
> However, there was nothing to stop Saskatchewan shareholders from subsequently selling their holdings to out-of-province buyers. Given the typical pattern of privatizations, the shares would probably be underpriced, providing a strong inducement to immediately flip the shares for quick profit. They would then be snapped up by investors in [that old] central Canada, where much of the country's money is concentrated. As soon as a large volume of SaskEnergy shares was made available on the stock exchange, continued local ownership of the corporation would be very much in doubt.
>
> The government, significantly, didn't offer any promises about share offerings subsequent to the first one, which probably meant that they would not be restricted to Saskatchewan residents. Shareholders do not appreciate it when the government says certain people are not allowed to buy their shares because that reduces the demand for the shares and, inevitably, their value. Governments consequently have a very difficult time upholding regulations about share ownership. A case in point was the loosening of restrictions on the ownership of SaskPower bonds, where restrictions designed to keep the securities in Saskatchewan hands were initially placed on the sale. At first, out-of-province residents were not allowed to buy the bonds, and no one person was permitted to purchase more than $100,000 worth. In May 1989, both these restrictions were lifted. Since the market for the bonds, which had a feature whereby they could be exchanged for Saskoil shares, was now much larger, the value of both the bonds and the shares went up. It seemed clear that when there was a conflict between local ownership and profit-making, profit-making won out.
>
> What had been true of SaskPower bonds would be no less true of SaskEnergy shares. There was no real guarantee that a majority then would continue to be owned by Saskatchewan residents, and the legislative guarantee that SaskEnergy's head office would remain in Saskatchewan did not amount to much, because while the government could pass a law determining the location of the head office, it could not effectively legislate what was done in that office.

[19:15]

> Roy Romanow, who had succeeded Allan Blakeney as NDP leader in November 1987, argued that local ownership had been a key reason for establishing Crown corporations in the first place. Through the Crowns, the people of the province were able to define market forces and gain some control over their own economy. Profits were invested in the province and policies were instituted to direct spinoff activities to local businesses. SaskPower, for example, purchased $400 million in goods and services from Saskatchewan companies in 1988.
>
> "Can we be assured that buying from Saskatchewan businesses would be the first priority of a privately owned utility owned by out-of-province investors?" Romanow asked.
>
> Another benefit was that a Crown corporation did not have to pay federal tax.

This is again something we're talking about here today, Mr. Speaker, where the proposal put forth by the Minister of Justice today will indeed bring our Crown corporations within the claws of the tax collector in Ottawa. And we have no answer from this government as to why they would put our Crowns in that situation.

> Had the gas utility been a private corporation from 1978 to 1988, it would have paid $113 million of its $407 million profit to Ottawa. Privatization would likely divert money from Saskatchewan to federal coffers.

We have no answer from the minister today in terms of how he

intends to deal with that or why he would put us in that position.

> The government had one final argument in support of its case. Pointing to the example of NOVA, which began modestly as the Alberta Gas Trunk Line Company and developed into a $7 billion corporation, George Hill predicted that privatizing SaskEnergy would lead to economic diversification: "There will be very much of an expansionist philosophy. The things that SaskEnergy could get into are limited only by one's imagination." Hill did not explain why it was necessary to sell the utility that delivered natural gas to people's homes in order to have economic diversification. If, for example, opportunities existed in the petrochemical industry, those projects could be undertaken whether the gas utility was publicly or privately owned.
>
> *The bells ring*
>
> Up to the time when Devine announced the imminent sale of part of SaskPower, the NDP had appeared to be losing the battle over privatization. Devine had boasted that he would use the issue to bury the socialists. Just as Mulroney won the 1988 election by polarizing the electorate over free trade and in so doing had managed to cover up the government's mistakes and scandals, Devine was in a position to do the same thing with privatization. Privately, NDP strategists worried that the Tory premier might be able to pull this off and sweep into power for another term.
>
> The tide began to turn against privatization on the 21st of April, 1989, when the bill to privatize SaskEnergy was introduced in the legislature. When the bells rang to summon the members for the vote, the NDP MLAs walked out in protest. Saskatchewan was one of two provinces, the other being Ontario, where the government was not able to force a vote with the opposition absent, so the bells kept ringing and the legislative proceedings ground to a halt. It was a calculated gamble for the NDP to dramatize its opposition in this way, because there was a chance that the public might see their boycott as irresponsible and undemocratic. The Tories certainly hoped for this response, declaring angrily that they had been duly elected to govern and that the NDP had no right to arbitrarily shut down the legislature. If the New Democrats were so sure of their case, they should not be afraid to debate the details of the government proposal in the proper forum.
>
> Complicating things for the NDP was the fact that since the budget had not been approved, government departments were independent on interim supply bills for operating funds. There was enough money to last into the middle of May, but after that pressure would mount for the NDP to return to the legislature so that money could be allocated to maintain government services. By stopping the business of the House, the NDP MLAs took a major risk. If the voters were indifferent to the privatization of SaskEnergy, they would have to creep back, humiliated, to the legislature.
>
> As it turned out, the NDP's bold strokes succeeded beyond even their expectations. The protest against the sale of SaskEnergy touched a nerve. The latent public antipathy to Devine's privatization crusade, welled to the surface and was channelled into a fierce campaign to save SaskPower. Within a matter of weeks, 100,000 people had signed a petition demanding that the government back off from the sale. Romanow addressed huge emotional rallies in Prince Albert, Yorkton, Saskatoon, and Regina. The anger in the crowds was palpable and Romanow was interrupted by ovation after ovation and shouts of "Ring those bells" and "Let's fight back."
>
> Six days into the walk-out, Devine called a press conference to urge the NDP to come back to the legislature. "We knew they would go crazy," he said. "All I'm saying is the legislature is the place to debate it. Let's debate it." Devine denied that natural gas was a utility and thus that he had gone back on his word, and also rejected the idea of calling an election. "Why would I call an election when I haven't built Rafferty and they're holding it up? When I haven't provided shares for natural gas and I haven't allowed people to invest in potash?" A few days later an Angus Reid poll showed how out of touch with public opinion the Premier was. Sixty-seven percent of those polls said they were opposed to the privatization of SaskEnergy by means of a public share offering, 22 percent approved, and 10 percent had no opinion.

And I'll just skip ahead a little bit to the end of this part:

> Finally, the NDP returned to the legislature with the understanding that the bill would die on the order paper. The government appointed a three-member panel chaired by Lloyd Barber, president of the University of Saskatchewan and a member of the board of the pro-privatization Institute for Saskatchewan Enterprise, to examine the impact of a SaskEnergy share offering. For the time being, the plans to privatize the natural gas utility were put on hold.

I'll stop there in terms of this part of the story, Mr. Speaker. I think that Barber's report, I was just looking at it, and I really want to thank the Legislative Library staff for assisting me in my research for this debate. And they also pulled out the Barber report that was issued in 1989. And I guess it still sits on the books and it's sitting there. But we know that SaskEnergy is still owned by the people of Saskatchewan.

So that's an example of public groundswell and the value I think that people in Saskatchewan who really understand our Crowns, understand the importance of their value. And again why we're being put in this position now with this weird hybridization creature that the Minister of Justice is creating by defining privatization the way he has is really quite interesting and, I think, disturbing. And certainly I know we will all have lots to say about this as we go along on the debate.

Just some comments that have been shared with me as we see this unfold, Mr. Speaker. One of the things that was raised, and I raised it in the House today in question period, is the choice of 49 per cent as the ultimate furthest expansion that this government would go when they call it not privatizing. But I would call it at least partial privatization, if not privatization of a large part. But 49 per cent is what the government's chosen.

As we pointed out today, the *Income Tax Act* of Canada in section 149 says that a Crown corporation is exempt from corporate income tax, provided not less than 90 per cent of the shares is held by the government or province. So this is the question. We didn't get an answer in question period today, but certainly what is the government thinking when they're going to jeopardize the entire profits of this Crown corporation, making it subject to income tax because they're privatizing 49 per cent of the corporation?

If more than 10 per cent is sold, federal income tax becomes payable. In essence, a significant portion of the Crown corporation is now held by outside, non-government interests and that 15 per cent of SaskTel's profits are going to be paid to the federal government — a windfall for Ottawa. A windfall for Ottawa, and this is coming from a Premier who is not happy with anything coming from Ottawa these days. A windfall for Ottawa at the expense of the residents of Saskatchewan, even if only 11 per cent of the entity is sold. At a minimum, I think the government should consider amending this bill to reduce it to 10 per cent, just to protect the profits that the people of Saskatchewan currently enjoy. So again we really will look for explanation from this government as to why they've chosen such a wide margin for privatization.

Something else that I talked about earlier is the minority shareholder class and the rights that they will have to benefit themselves. Because the shareholder has no obligation to anyone but themselves, and they don't attract any liability either, Mr. Deputy Speaker. But will these private minority shareholders have the right to appoint board directors, board members? And what about security regulations? There's all sorts of security regulations that could, may or may not affect the Crown . . . Again I struggle with words to describe what this beast would be, but sort of the quasi-private or semi-public beast? What laws apply? Do the security regulations apply?

There is one upside that was pointed out to me by a constituent, and that's that perhaps irresponsible fiscal behaviour of the government towards a privatized Crown would have to cease. And we're looking at the strange direction of the government to ask SaskPower to purchase GTH [Global Transportation Hub] land, for example.

So at least then the minority shareholders could say, are you crazy? You're affecting our ability to maximize our profit here. Why are you doing that? And we'll see maybe less government interference. So that is one small, little ray of sunshine in all of this, is that at least the minority shareholders would see the sense of what's going on and stop things like the SaskPower purchase of GTH land that we were talking about earlier in the House here last week.

The downside is that the sale of a portion of the Crown would not necessarily result in an optimum price, because any purchaser is going to want some sort of control of the corporation. Again, is this going to affect, for SaskPower, the way the . . . or any of our utilities? Will this change the way the Saskatchewan rate review panel would operate? That's a very good question. What's going to happen to the Saskatchewan rate review panel? And the suggestion here is that it may have to go to a quasi-judicial means of operating. So we don't know, because we're creating something that doesn't exist.

It's almost . . . well yesterday it was Halloween and we know there was lots of little Frankensteins running around, Mr. Deputy Speaker. So this is kind of like that. This is like a Frankenstein that doesn't have any comparisons in any other part of our real world.

So we don't know. We don't know what's going to happen to the Saskatchewan rate review panel. We don't know whether minority shareholders are going to be able to ask for directors to be placed to represent their interests on our Crown corporations. We don't know what's going to happen with securities regulations and *The Business Corporations Act* and the rights of shareholders. There's all these questions.

The government is claiming currently that there is no offer for SaskTel, although this individual said they offered $1.53 and two used tennis balls. I guess there is an offer for SaskTel in that sense. The interesting question is whether any member of the government or officials have been in discussion with any Canada telecommunication company or pension fund regarding the sale of any of the assets of SaskTel in the past 12 months.

Now the Premier has already alluded to some of the potential investors in this non-privatization privatization, and he even referred to the Auto Fund, which is a fund of one of our Crown corporations that may want to invest in other Crown corporations. And again, it spins the mind to sort of figure out how that's going to work.

This person indicates that in the public there are rumours about discussions for the sale of SaskTel. And so I think the Premier and the minister need to come clean with the public and be transparent and accountable around this issue, and let us know what the discussions are, and be upfront with the people about what they're planning to do through this privatization scheme.

So those are just some thoughts and . . . [inaudible interjection] . . . Yes, there's other questions in here about the GTH scandal, but we'll save that for another day, Mr. Speaker.

Just want to share some comments from . . . Actually it's from the House in May, and this was reported in the Battlefords *News-Optimist* on May 30th. And I just want to share what the Premier said in May about SaskTel. He said, "I was asked during the election campaign if our government . . ." I just want to give Hansard the date of this . . . the second week, so this is May 30th, so the Tuesday before the 30th, whatever day that was.

> I was asked during the election campaign if our government would change the Crown protection Act, which obviously governs what governments can or can't do with any of the Crowns, [we thought] beyond what we'd campaigned on with respect to SLGA. I said that we wouldn't and we would keep that promise. That's what we have done for the last eight years, Mr. Speaker, is worked hard to keep the promises that we've made.

So this really is foreshadowing, Mr. Speaker, of what we've seen here today. Of course he's not going to change the Crown protection Act when he knew all along that he had this crazy scheme to hybridize privatization through this creature of Crown private corporation, where minority shareholders with

private minority shareholders will sit at the same board of directors table as our Crown representatives.

An Hon. Member: — But it's not what he promised.

Ms. Sproule: — I don't think that's quite what he promised. And I'm not sure what the Premier intended by this comment, because he said we wouldn't change the Crown protection Act, which obviously governs what governments can or can't do with any of the Crowns.

And yet we see this insertion of some weird World Bank definition of privatization, which I can't find anywhere. I don't know where the minister got it from. And there's hundreds of different definitions of privatization out there, so by the very act of what they're doing on *The Interpretation Act* in this bill, Mr. Speaker, does change the Crown protection Act. It does change the governance of what governments can or can't do with the Crowns.

And you know, the minister uses the word clarify. That's just too cute by far, Mr. Speaker. This is not clarifying at all. This is not clarifying at all and that minister should be much more careful about his choice of words here because it's got nothing to do with clarity. And in fact what it does do is it shows how the Premier has broken the promise that he made to the people not only in this election but in 2007 as well, and I'll get into that a little bit sooner or a little bit later.

[19:30]

There was an article recently in *Planet S* and I want to share this with the Assembly as well. It's called "In Brad Wall's Words," and it's a recap of our Premier's statements on SaskTel privatization. So let's have a look. Here we go, and I am quoting this:

> Let it go: Brad Wall doesn't have a hidden agenda to privatize SaskTel and sell it off when a good offer comes along — at least according to several remarks he's made about privatizing the telecom over the past six years.
>
> If there IS a privatization agenda, then it's hidden in plain sight.
>
> Based on comments since 2010, Saskatchewan's premier tends to emphasize two things: keeping his party's 2007 election campaign promise to not privatize Crowns; and ensuring the Saskatchewan electorate has the final say (via referendum) on privatizing SaskTel.

To me, Mr. Speaker, what we saw introduced in this House last week goes directly in the face of those comments. They go on to say:

> However, Wall's and the government's actions *do* reveal a consistent pattern: a piecemeal-type policy that gradually sells or privatizes Crowns or public services.
>
> For example, the government and its Crowns have sold 17 different publicly held investments, shares or stakes since 2008. It's also outsourced public goods or services to the private sector 23 different times.
>
> On top of that, it's supported four big P3 projects. That includes the one time a provincial Crown has been sold to the private sector — 60 per cent of Information Services Corporation in 2012. Unlike SaskTel, SaskPower and SGI, ISC was not covered by *The Crown Corporations Public Ownership Act*, tabled by the NDP and supported by the Saskatchewan Party in 2003.
>
> Still, for the sake of longevity — and perhaps trajectory — it's worthwhile to look at what Wall has said on the public record about privatizing Canada's lone provincially-owned telecom.
>
> On The Record
>
> The first statement comes from a one-on-one interview with Gordon Pitts in *The Globe and Mail* in May 2010.
>
> Pitts asks Wall why he resists privatizing Crowns; Wall references the 2003 gaffe by the then-party leader, Elwin Hermanson [and] here's what . . . [Wall] said.
>
> > It's a practical lesson from the election of 2003 . . . [which, Mr. Speaker, I think you were part of] when we sacrificed the chance to implement the rest of this growth agenda. I was the Crown corporation critic and I helped write the policy, so *mea culpa*. We sacrificed the chance to make some long-term changes in the psyche and environment in the province for this one issue.
> >
> > Some on the right say SaskTel doesn't have a future as a standalone indie. Well, it just had its biggest year. Part of it is a growing economy and part of it is an attachment people have to their Crowns. In the case of SaskTel, it's competing with other telcos, and this (attachment) has stood them in good stead. I'm not saying Saskatchewan is an island with respect to government-owned enterprise, but there are unique elements that say to me, we still have other things to do; we made a commitment and we plan to keep it.

That was the minister, or the Premier, in May of 2010.

> Seven months later, *Leader-Post* reporter Angela Hall did a year-end interview with Wall. She asks him about accusations of a hidden privatization agenda.
>
> "The fact is we have put significant investment into the Crown sector. We put significant general revenue dollars into SaskTel over the three years to help them expand connectivity in the province, to help them expand the mobility network."
>
> There's little else that comes from Wall on SaskTel and privatization until the 2016 election cycle, which started March 8th.
>
> The Tune Changes
>
> On March 15, then-NDP leader Cam Broten raises the prospect of Wall's hidden privatization agenda for the province's Crowns, as reported by the CBC.

> When pressed on the issue, Wall said: "There's something we signed on to called the Crown Corporation Protection Act, or to that effect. Basically, it protects Crowns from being privatized," he said. "If elected, we will make one change to that: that's to the liquor retailing in the province. And we've already announced that."
>
> "With respect to the major Crowns, we will not be changing it if we're re-elected again," he said.
>
> The discourse shifted on May 17 [and that, Mr. Speaker, you know that's after the election].
>
> Before entering the Legislature for his government's throne speech, Wall told reporters that "competition has gotten tough," for SaskTel, due to a May 2 deal that saw Bell Canada buy Manitoba Telecom Services, according to *Leader-Post* reporter David Fraser.
>
> "Maybe that's a discussion Saskatchewan people want to have," Wall said. "We wouldn't be able to be in a position of welcoming private investment into SaskTel even if that was thought to be the right thing, because we didn't campaign on it.
>
> "If it was something Saskatchewan people, we thought, really wanted to at least talk about, there is the idea of a provincial referendum."

I think one of the things . . . and I mean all of this, the irony here, Mr. Speaker, is replete. And I think it just goes to show that the promises . . . I talked to a former MLA [Member of the Legislative Assembly] and former cabinet minister, and she said, does he think the people of Saskatchewan are stupid? Because that's how he is treating them. And I think she is right. I think this government doesn't have the courage to make the changes to the Crown protection Act that they want to make. They haven't been able to do that since 2003 when they lost the election because of it, and in 2004 when they unanimously voted in favour of the Crown protection Act. Mr. Speaker, they've put themselves in a box and now we see them trying to weasel out of it.

And what I will do, Mr. Speaker, is turn to another article right now, because this is a really interesting story. It's from the Manning Centre, which is a right wing think tank, I believe based in Calgary. And this is written in October of 2010 by David Seymour, who's for the Manning Centre. And the article is called "C2C: Limited Government in Saskatchewan or WWHD (What Would Hayek Do?)." And so here's how it goes. This whole piece is about how Crown corporations are an incursion on liberty. And so this person's coming from a perspective of liberty or libertarianism which of course is individual freedoms as opposed to collective rights.

So what he says here, and this is a quote:

> What follows is an examination of the current Saskatchewan government . . . and in particular its success at limiting its own activities and therefore expanding the metaphorical spheres of liberty in which the people of the province live.

First thing he starts on is fiscal management, and this is a quote:

> The larger the amount of money expropriated by government, the less likelihood that people are to plan their activities by way of controlling their own funds. In the last financial year of NDP government, 2006-07, the Government of Saskatchewan's all-in expenditure figure was $9.3 billion. In 2009-10 the same figure was $12.5 billion. In other words, over three years, the Saskatchewan Party government has increased financial outlays by around 34 per cent in nominal terms. [And Mr. Speaker, we know it's way higher than that now in 2016.] In fiscal year 2003-04, expenditures were 7.7 billion, so the increase in expenditures for the last three years of the NDP government was around 21 per cent. The Saskatchewan Party has not only adopted the spending trajectory of the previous government, they have actually accelerated it.
>
> Two possible defenses are that the spending is driven by factors beyond the government's control, or that the spending is on better causes than previous spending. Healthcare, with its relentless cost increases that are driven by demographics and technology changes and the government's policy of substituting provincial tax revenues for school board taxes, and the push to improve Saskatchewan's notorious highways (which are also of greatest interest to the Saskatchewan Party's rural base) could be cited as examples of these two defenses. Unfortunately, it is not clear that these arguments hold water. According to the summary financial statements, healthcare was 35 per cent of expenditure in 2003 and 36 percent in 2009. Transportation was around four percent in each and every year. It would seem that the spending increases are rather more across the board than driven by any particular policy direction or external condition.

So, Mr. Speaker, once again, where has the money gone? I'll continue.

> One of the things that happens when a government spends more money is that it is required to raise more revenue. For the most part, Saskatchewan's booming economy, good harvests, and in particular the resource sector has achieved that for this government, with one major hiccup. In 2009, it was forecast that potash revenues for the year would be approximately two billion dollars. In the event, a worldwide market crash meant that the government was actually required to return $200 million to the potash companies as a tax refund.
>
> What happened next could only be described as somewhat disingenuous behaviour by the government.
>
> It dipped in the Fiscal Stabilization Fund, commonly known as the rainy day fund, then required Crown corporations to pay 100 per cent of profits as dividends (with the exception of SaskPower, which is particularly short of capital in view of increasing demand). Whatever one's view of the Crowns may be, this unforeseen taking is a disturbance that makes it more difficult for their managers to plan future activities and therefore damages the entire Saskatchewan economy.

> With a billion dollars of help from taxes and oil revenues being higher than forecast, the government then made the roundly lambasted claim that in actual fact they had not run a deficit but a $424.5 million surplus.
>
> A final exacerbating feature of the fiscal situation the government has found itself in this year [which is 2010] is their 2008 tax cuts. Tax cuts are only a step toward limited government if they are accompanied by a decrease in spending.

That's not happening here, Mr. Speaker.

> If they result in deficits, then they are more accurately described as a tax delay. They can be seen as having behavioural effects by reducing the penalty for wealth creation and therefore increasing economic activity.

He sums up this section by saying:

> Altogether, Saskatchewan's government has ramped up spending faster than its predecessor, poorly forecast its revenues, run an effective deficit when resource revenues are found wanting, then covered it up by asset stripping the Crowns and dipping into the fiscal stabilization fund to claim they had actually run a healthy surplus. They cut taxes, but these were arguably structured in a way that widens the gulf between those that pay taxes and those who benefit from them.

That's the Manning institute, Mr. Speaker. And I just want to take a little look here at . . . Well we know the Fiscal Stabilization Fund was drained throughout those years. We know that the Crowns have paid over $3 billion in dividends in the last few years, but I want to take a look at the summary statement of financial position.

So we're talking in 2006 of . . . The net debt of this province was $7.76 billion in 2006. In 2016 — 10 years later — the debt is higher, $7.899 billion, Mr. Speaker. This government is further in debt now with record revenues that we've never seen the likes of, asset-stripping the Crowns as was pointed out by the Manning institute.

And the other thing that I think is really troubling for the people of Saskatchewan is the financial presentations that they make every year with the budget, because we've got to remember, Mr. Speaker, the budget is only an estimate. We call it "estimates" for a good reason. Those are estimates. But how accurate are they? Let's take a look at that.

In the last eight years, this government six out of eight times over-estimated the revenues and the fiscal position that they were going to end in. In actual times, they were out six out of the eight times. The actual amount of money that we had was much lower than what the government estimated. Twice it was over, and that was 2008-09 when we know there was significant resource revenues that came in with . . . Oil I think topped up at $140 a barrel, something like that. And in 2013-14 there was also an over . . . like they brought in more in their actuals than the estimate numbers.

But what really scares me, Mr. Speaker, I mean in 2009-10 they were only out by $800 million. '10-11 they were out by 33 million. It's very minor and I think it's close enough. I could write that one off. '11-12 they were out by $480 million — half a billion. That's a pretty sizable chunk of change. '12-13 around 80 million so again, that in the whole scheme of things may not be that much. '14-15 out by a very small amount actually, less than $10 million, which is really close.

But what really hurts, Mr. Speaker, is last year. This government projected . . . they estimated before the election that there would be a surplus of $106 million. That was the estimate. Of course we didn't see a budget leading up to the election in April, although normally it would be tabled in March. And there was no reason why it couldn't have been tabled in March. So they actually estimated in 2015-16 that there would be a surplus of 107 million. Mr. Speaker, do you remember what the actual amount of the figures were? We have a deficit. In last year alone we were out $1.5 billion. That's how much they were . . . And if you add the 107 million, the mark that they missed by was $1.6 billion.

[19:45]

Now that's terrifying, Mr. Deputy Speaker, and I think it just speaks volumes to the, maybe the hubris of this government, that somehow everything's just going to work itself out. But oops, they drained the rainy day fund. They can't pull that money out. There was over a billion dollars there. There was a billion dollars in the Crowns that have been stripped. So this government is right out of luck and right out of options. And I think that's the sign of desperation that we're in now, where they're actually having to have to have this conversation about selling off 49 per cent of our Crowns, Mr. Speaker.

They have no money and they have no ability to meet the commitments that they've made to all the P3s [public-private partnership], to the gross overspending of the bypass project that's happening here in the city, to the gross overspending for carbon capture and sequestration, one and a half billion dollars. We see all the P3s and we know the extra expenses that are involved in that.

And so what's left? They have taken every little cookie out of the cookie jar, Mr. Speaker, and I'm worried about what this year's . . . And obviously we haven't even seen the first quarter results. We will see, the minister promises we will see the mid-year review soon, so we'll have a close look at it then. But if they continue to miss the mark by over a billion dollars in their budgeting, we have a serious issue, Mr. Speaker.

There's another article that I would like to share with the Assembly regarding "The Limits of Privatization." This is by an author. His name is Paul Starr, and the source of this is the *Proceedings of the Academy of Political Science* from 1987. So it's somewhat dated but there is some very, very telling positions in here that tell us what happens when you pursue a privatization agenda. And of course that was at a time when the privatization agenda was picking up steam across the world and globally, so pundits were having an opportunity to examine that.

When you think about the privatization agenda, we're talking about our utilities today but the next question is, what's

tomorrow? And this article looks a lot at the impact of privatizing hospitals and schools and highways, some of those other what we would all consider public institutions primarily. So this is Paul Starr, and I will quote:

> There is an obvious, radical difference partial and total privatization and a subtle but equally important difference between privatization and liberalization. By treating these heterogeneous measures as members of the same family, the advocates of privatization use the more moderate ideas, such as vouchers and contracting out [and again, this is something we've seen on a regular basis from this government] to gain plausibility for the more radical goal of government disengagement. Milton and Rose Friedman have said explicitly that they would prefer ending all public financing of primary and secondary education, except in hardship cases, but propose vouchers as a more acceptable first step. In the most ingenious and refreshingly frank case for privatization, Stuart Butler has argued that the real objective should be to break up "public spending coalitions" to bring about a permanent reduction in the base of political support for government growth. So, while privatization can be presented as a measure to improve the performance of particular services, the larger intention of some exponents is to reduce support for public provision altogether. Whether partial privatization would actually lead to disengagement . . . will be scrutinized below, but it is worth noting here that the more moderate forms of privatization are for its advocates stepping stones toward more radical objectives shared by only a small minority of Americans.
>
> The conservative proponents of privatization see a zero-sum relationship between government and the economy. The bigger the public sector, the smaller the private economy. The more public spending, the less private savings and investment. Hence, in this simple view, privatization is certain to increase savings, investment, productivity, and growth.
>
> If government spending truly retarded economic development, the Western economies with the highest ratios of public expenditures to gross national product would grow the slowest. However, comparative studies show that not to be the case. The conservative view of government as an economic black hole misses what government adds to the productive resources of society and overstates what government takes away. First, much public spending represents investment in human and intangible capital as well as physical infrastructure . . . And, second, much of the contemporary increase in public spending has come in the form of transfer payments, which redistribute income but do not exhaust resources that would otherwise be available for investment . . .
>
> The case for privatization as a means of bringing about deep reductions in government activity also neglects the contribution of increased public expenditure to economic stabilization . . .
>
> Nor is there the slightest chance that governments will unload responsibility for the stability of the economy and the financial system. The voters will not allow it. Nor will the banks.

And certainly, Mr. Speaker, you can only recall the collapse of . . . the imminent collapse of banks in the United States in the 2000s. The government stepped in. This was when Obama took over; he had no choice. And we know that the voters will demand that and the public will demand that.

> In the current conservative view, the public arena is nothing but a political marketplace where politicians, public employees, and competing groups of beneficiaries seek their narrow interests at the expense of the general welfare. Government expands because bureaucrats maximize their budgets and because beneficiaries with "concentrated" interests in program expansion exercise more political muscle than do taxpayers with "diffuse" interests in restraint. As an explanation for the development of the modern state, the theory is unpersuasive; it cannot explain the variations over time or across societies. If the influences on the budget were always asymmetrical, spending would have grown as much in periods when growth was slow. The narrowly individualistic view of political choice also provides a misleading account of contemporary policies.

He goes on to say, "partial privatization differs from the more radical forms." And I think that's what we're talking about here, Mr. Speaker, is partial privatization.

> Contracting out expands the set of claimants on the public treasury. [This is a researched position.] By having defense equipment privately produced, we do not reduce the pressure on the defense budget. The defense companies and their employees are capable of determining their stake in higher military expenditures. By having highways constructed by private contractors, we do not reduce the pressure for bigger construction appropriations. By having health services under Medicare provided by private doctors and hospitals, we do not obscure from them their interest in higher Medicare appropriations . . .
>
> Conservatives who favor privatization read the record as proving the superiority of private providers, but this is an act of heroically selective attention.

I like that so much, Mr. Speaker, I'm going to read that again. "Conservatives who favor privatization read the record as proving the superiority of private providers, but this is an act of heroically selective attention." I really like that — heroically selective attention.

> Given the American experience with defense production, construction projects, and health care — all mostly produced privately with public dollars — it is remarkable that anyone could see a path towards budgetary salvation simply by shifting the locus of service production from the public sector to the private sector.

Here's another good phrase, Mr. Speaker:

> Advocates of privatization show an undue tenderness toward private contractors and an undue hostility toward public employees. They indulge private contractors their

> history of cost overruns; they rebuke public employees for their history of wage increases. But their preference for private provision actually reflects a deep underestimate of the skills that private firms can deploy. They underestimate the capacity of contractors to manipulate to their own advantage the incentives that are held out to them for better performance. And they underestimate the contractors' capacity to influence political decisions, either illegitimately through bribery or legally through campaign contributions and lobbying. Missing from the case for privatization is any clear sense of feedback effects — the reaction back upon the government of the enlarged class of private contractors and other providers dependant on public money.
>
> So, if partial privatization is to reduce public spending, it cannot be expected to achieve its effect by reducing spending pressure. Private firms have to be far more efficient. Some evidence does suggest that private producers have lower costs, but the picture is complicated by the following: First, contrary evidence from other studies shows no difference in costs or even higher costs among commercial providers. Second, there are pervasive differences in the services performed by public and private organizations [and I think our surgical clinics are a good example of that], particularly because of differences in their clientele, such as exist between public and private schools, hospitals, and social services as a result of the "creaming" of client populations by private institutions. Third, studies usually lack any evidence about the quality of services, thereby making it difficult to judge whether lower costs result from greater efficiency or deteriorating quality.

And we heard today from my colleague from Douglas Park about some of the conditions of the laundry that's now coming back from the privatization of laundry services where surgical instruments and needles are being brought in. And this was supposed to be an improvement, and the former minister of Health was asking about what it was before. This was promised to be an improvement, and there is no demonstration that it is, Mr. Speaker. If it is an improvement, then we should be able to see the differences shared with this government. So maybe they'll bring forth that information; I'm not sure. I'll continue on here.

> And, fourth, some private firms' lower costs stem from lower wage levels and greater use of part-time workers with fewer fringe benefits.

And, Mr. Speaker, we know the impact that has on the community when people's wages aren't living wages and when they can't pay their mortgage or have the benefits that good mortgage-paying jobs would provide. He goes on to say:

> If privatization enables governments to cut wages and break unions, it is a means of imposing losses on public employees. If it enables governments to reduce services and allows providers to skim off the best clients, it is a means of imposing losses on beneficiaries. Neither of these ways of reducing cost has anything to do with improvements in efficiency. Perhaps the public wants wages and benefits cut. If so, voters and legislators should do so with their eyes open.
>
> By emphasizing these considerations, I do not mean to suggest that contracting out is never a good idea. It is an important and valuable instrument of public management, but it is treacherous to generalize about its virtues.

I'm going to move on to the next page here, Mr. Deputy Speaker, and pick it up here. He says:

> Although privatization aims to shift services from the public to the private sector, it could end up making private institutions more like public ones. If public money flows to private providers, the voters and their representatives are likely to demand greater accountability. The courts are likely to demand greater compliance with constitutional protections of clients' and employees' rights. The very distinctiveness of the sector would probably diminish. In the extreme case, the privatization of public provision could turn out to mean the socialization of private provision.

So that's extreme, but it could lead that way. He goes on to say:

> Thus there is much reason to question the seemingly straightforward view of privatization as a means of reducing government. Butler's argument that privatization would change the dynamics of government expansion is unpersuasive on its face. Private contractors make aggressive lobbyists, as would other recipients of public funds under any proposal to retain government financing but to move production into private hands. Asset sales [And that's what we're talking about here, Mr. Speaker.] do provide a temporary budgetary boost [As I showed with the numbers, this is a government that is very desperate for budgetary boosts.] but only in exchange for public capital; a proper accounting would show no improvement in the government's net financial condition. Asset sales improve the long-run budgetary picture only if the governments avoid future subsidies.

And there's no indication on any account, Mr. Speaker, that this government would even be capable of doing that.

> However, privatization is no guarantee that subsidies will stop. Private companies are not bashful about asking for help, usually in the form of tax benefits. And if privatization occurs without liberalization, privatized monopolies can obtain subsidies through regulatory protection.

I'm going to go forward into this article a little bit further, Mr. Deputy Speaker. The author was talking a little about choice and that, you know, a free market provides choice and he says this:

> Privatization does not transform constraint into choice; it transfers decisions from one realm of choice — and constraint — to another. These two realms differ in their basic rules for disclosure of information: the public realm requires greater access; private firms have fewer obligations to conduct open proceedings or to make known the reasons for their decisions.

And that would be . . . A good example, Mr. Speaker, is what happened to Kal Tire at the GTH. We know there was a deal for them to buy land. Then all of a sudden something happened and they up and moved to Edmonton. But we have no way in the public sphere of getting answers. Oh, but wait a minute, Mr. Speaker, we're not even getting answers in the public sphere right now about what has actually happened in the GTH land transactions. And I think that's something that, well obviously we've been pushing it as hard as we can here in the House. We're not getting the answers even from the public sphere, but you can imagine how protected private companies are when it comes to disclosing their business dealings.

He goes on to say:

> The two realms differ in their recognition of individual desires; the public realm mandates equal voting rights, while the market responds to purchasing power. They differ in the processes of preference formation: democratic politics is a process for articulating, criticizing, and adapting preferences in a context where individuals need to make a case for interests larger than their own. Privatization diminishes the sphere of public information, deliberation, and accountability - elements of democracy whose value is not reducible to efficiency.

[20:00]

And, Mr. Speaker, we've talked about a lot in this House before, but part of the moral compass that I think we expect from our government and the direction that we should see from them is accountability. And when we see the refusal on the part of this government to answer direct questions about information that came to us through the auditor's report, there are still questions that remain, and their absolute failure to answer those questions is a failure of accountability, Mr. Speaker, in this House, then that is an affront to democracy.

He goes on to say, ". . . the removal of decisions from the public arena diminishes the individual incentive for participation." He gives a very good example here, Mr. Speaker:

> Public schools in particular are a principal motivation for the participation of parents in local elections; the vitality of local government depends on their involvement. Privatization of the schools would weaken the foundations of local democracy.

And I think that's something my colleague from Lakeview would agree with.

He goes on to talk about privatization applied to justice. For example, what if we privatize the jails? What if we privatize the court systems?

> Privatization must be seen not only as a technical instrument of policy but also as a political measure of symbolic consequence. When applied to the administration of justice and exercise of coercive power, the symbolic element is of paramount importance. Meting out justice is a communicative act; its public character ought not to be confused.

He goes on to say, "Privatization signals diminished access." And the next paragraph I would like to share with you is this one: "However, the symbolic load of privatization ought not to be a categorical objection to all the various measures that are covered by that term."

So he's saying the spectrum of privatization is incredibly wide. And why this government is narrowing it to the absurd and strange definition that it is now inserting into *The Interpretation Act* through the provision of Bill 40 is beyond comprehension, Mr. Deputy Speaker. He says:

> As I indicated at the beginning, the term [and that's privatization] covers a heterogeneous set of policies, some more worthy than others. We need not accept or reject all the elements as a single package. Like corporations, states ought to be able to divest themselves of some activities and take on others. They should be able to contemplate exchanging or liquidating assets, to compare buying with producing services, and to entertain new forms of competition within the public sector or between public and private organizations. The postal service, for example, no longer has the same practical and symbolic importance in knitting together the nation that it once did. Its historic function has been partly superseded by other means of communication.
>
> Yet, like the railroads, which have discovered immense value in the real estate, the postal service possesses assets that might be more productively used.

So what the author is suggesting here, Mr. Speaker, is that there are all kinds of different types of privatization, but not once in any of this discussion do we hear the concept of this hybrid public-private, semi-public-private beast that this government is creating in this bill.

He goes on to talk about housing is another example of the potential for restructuring public assets. He says:

> In some areas of policy like housing, government ought to move its investments into a kind of rolling privatization — disposing of some public assets while augmenting others.

And his final sentence, in his final part of his article has this to say, and I think what he does is he makes us focus on what the debate is. He says:

> The illusory appeal of privatization is to provide a single solution for many complex problems. But if the idea of privatization has any merit, it is to force us to rediscover the rationale of the public services we need and to remind us, if we had forgotten, that the public-private mix ought not to be considered settled for all time.

So that's what Paul Starr had to say about the debate, Mr. Speaker. I'm just going to put this paper back in order.

I think we need to just look a little bit . . . I did want to look a little bit at the rights of minority shareholders. And there was an article that came out of the Saskatchewan Legal Education Society. This is a seminar back in 1998, and the materials were prepared by William Hood of Priel Stevenson Hood &

Thornton. This is a Saskatoon law firm and this was a seminar. The name of the paper is called, *Shareholder's Rights Without Obligations*, and there's a number of points that I want to share with the Assembly in regard to these minority shareholder rights.

He begins in his article with this following:

> It is beyond dispute that shareholders have rights. Indeed, those rights, particularly when held by minority shareholders, are among the most jealousy guarded by the courts. Despite their array of rights and powers, however, shareholders owe no obligations to the corporation. In the commercial context, the possession of rights, absent any corresponding obligations, is quite unique.
>
> Shareholders do not have a fiduciary obligation to the corporation or to other shareholders. They need not be concerned with the interests of others when they exercise their rights as shareholders. They can and do act in their own self interest which is not always in the best interests of the corporation.

So I mentioned this a little bit earlier, Mr. Deputy Speaker, but the issue here is that we are going to be selling 49 per cent of our Crowns to private minority shareholders. The point is, these shareholders have absolutely no obligation to the corporation. The corporation has many obligations to these private shareholders. That's the way it's set up, and that's the way the law exists here in Saskatchewan today.

And as he points out here, not only do they not have any obligations to the corporation, but the corporation . . . the minority shareholders' rights will be the ones that are most carefully guarded by the courts because they don't want to see these majority — which in this case would be the Crown — these majority bullies picking on the little kids in the playground, essentially. So we're creating a situation where our common ownership of our public utilities is now being put in jeopardy by creating rights for these minority shareholders.

One of the specific rights he mentions in his paper is the blocking right, and here's what he has to say:

> Certain corporate activity, even if determined by the directors to be in the best interests of the corporation, can only be effected if approved by a special resolution of the shareholders. Minority shareholders, acting solely in their best interests and without regard for the best interests of the corporation, can defeat such resolution and block the corporation from pursuing such action.

In this case he refers to a special resolution. He says:

> A special resolution is a resolution which, in order to be effected, requires two-thirds of the votes cast by shareholders who voted in respect with the resolution.

And he quotes the section from the Saskatchewan business corporations Act which says . . . this is section 2(ff) of the Act:

> **"special resolution"** means a resolution passed by a majority of not less than two-thirds of the votes cast by the shareholders who voted in respect of that resolution or signed by all the shareholders entitled to vote on that resolution.

Now again, I've raised this earlier, but the question is, will the Saskatchewan business corporations Act apply in this context? And so we have a legal void here that we don't quite know exactly what this creature's going to look like and whether or not these rules apply. But I can't imagine a court not recognizing the rights of special . . . of minority shareholders, and certainly they can do that in the absence of legislation, Mr. Speaker. We know that the courts can establish this kind of legal precedence.

It goes on to say that:

> For example, a blocked resolution can thwart the restructuring plans of a growing corporation. In the interests of avoiding the impasses which may result from failure to pass a special resolution, a majority shareholder . . . [should] be well advised in the early stages of a corporation's life to negotiate an option to acquire the interest of minority shareholders. Such option would be triggered should the minority shareholder block action which is strategically important to the corporation.

So I certainly hope, Mr. Speaker, in the event that this bizarre Act goes through, that when we are privatizing 49 per cent of our public utilities, that we would ensure that we have an option to re-acquire those interests in the event that they are trying to block restructuring plans is the example that's given here. So that's something that's very concerning, and I'm hoping the legal analysis will be done and will be presented to the public before any of these privatization plans go forward.

On page 5 of the article, he talks about another right of minority shareholders. It's called the dissent right. And he says:

> Minority shareholders who do not have sufficient votes to block strategic action which requires a special resolution may, in certain circumstances, exercise the dissent right. The corporate action which gives rise to the dissent right is set out in subsection 184(1) . . . [of the Saskatchewan business corporations Act].

And he goes on to explain it here:

> The minority shareholder has the right to dissent and put its shares to the corporation if:
>
> (a) the special resolution which is passed falls within one of the above categories;
> (b) the shareholder dissents to the resolution;
> (c) the directors do not repeal the resolution; and
> (d) the shareholder complies with the technical procedures in section 184.

So that's another example, this blocking right that minority shareholders will have in our Crown utilities.

He goes on to discuss the unanimous shareholders agreement on page 10. Here he says:

> In a carefully drafted USA a minority shareholder can have his cake and eat it too. That is, he can exercise greater rights without incurring liabilities or giving up any rights against the directors.

And he goes on to explain. It's a fairly technical argument but he goes on to explain that. He says:

> Often an agreement allows a minority shareholder to elect directors to the board who are in a minority position. One's first impression may be that such a right is not of much value. To the contrary, a right to representation on the board, even if it is not enough in number to control the outcome of the board resolutions, it is still a useful tool to protect minority shareholder rights. Discussion and debate at the director's level is foreign to a shareholder.

So we are going to be giving, possibly . . . We don't know what these beasts are going to look like but if they follow the course of ordinary corporations in Saskatchewan where there is a minority majority of shareholders, we could be giving positions at the director's table for these minority shareholders. And we don't know if that's going to happen or not, but again I think the public interest is going to be severely compromised.

On page 16 it talks about another remedy that's available to minority shareholders, and that is the oppression remedy. And this is what he has to say:

> The oppression remedy found in section 234 of the Act is without doubt the most powerful right a shareholder has to protect minority interests. Corporate conduct which is "oppressive or unfairly prejudicial to, or that unfairly disregards the interests" of a shareholder gives rise to a statutory cause of action.
>
> The right of action is derived from the legislation of the incorporating jurisdiction of the corporation. [And again, we don't know what legislation will govern these creatures of this bill.] Most jurisdictions in Canada, including the federal legislation, provide for an oppression remedy like section 234 of the Act.

So he goes on . . . I'm just going to move further along here. He's talking about the oppression remedy and on page 20 he talks about it in terms of some judicial interpretation of it. And he says, he quotes here from a case, *Eiserman v. Ara Farms Ltd.* and *347883 Alberta Ltd. v. Producers Pipelines Inc.* and he says:

> As referred to . . . [in these cases], the court will interpret oppression broadly. [It] . . . does not mean . . . lack of confidence or disagreement between shareholders will give rise to an oppression remedy. [But] In *Elder v. Elder & Watson*, Lord Keith remarked:
>
> > . . . It is not lack of confidence between shareholders per se that brings (the oppression remedy) into play, but lack of confidence springing from the oppression of a minority by a majority in the management of the company's affairs . . .

So what we're seeing here is that the right to this remedy is only . . . it comes from a lack of confidence springing from oppression of a minority. So I always think, okay now, we've got Sask Government Insurance privatized, 49 per cent, and we have this Auto Fund, and the company is making decisions regarding what to do with the Auto Fund. And they may decide to put some of that in the General Revenue Fund in the form of a dividend, which under the Crown investments corporation Act they are entitled to do at this point, but that's affecting the minority shareholders' rights. And that may give rise to an oppression remedy. I don't know, Mr. Speaker, and there's just too many questions coming out of this that certainly make one wonder what exactly are we giving away.

On page 27, he talks more about specific conduct giving rise to the oppression and here's what he says:

> Bear in mind that oppressive conduct is fact specific. Shareholders' expectations change from the one set of circumstances to another. Thus, conduct which may give rise to oppression in one set of circumstances may not give rise to oppression in . . . [others].

And then he goes on to say that:

> In *Arthur v. Signum Communications Ltd*., Austin . . . [Judge, Judge Austin] summarized patterns of conduct which are prone to resulting in oppression as follows: "lack of valid corporate purpose for the transaction."

[20:15]

And immediately, Mr. Speaker, what comes to mind was the GTH purchase of 204 acres north of the city of Regina. And was there a valid corporate purpose for that transaction? I mean when we see all the questions that are coming out of the GTH scandal and all the curious behaviour on the part of this government and on the part of the board of directors of GTH and the firings of key individuals and the many questions that come out of the auditor's report, we're wondering.

What if GTH was owned 49 per cent by minority shareholders? And we look at the actions of the GTH. You know what, Mr. Speaker? We'd be in court right now, I'm sure. These minority shareholders would have legitimate complaints that their minority shares are being oppressed. And this is oppressive conduct because right here, the court said that "lack of valid corporate purpose for the transaction" can actually constitute oppression.

He goes on to list some other examples of oppression, "failure on the part of the corporation and its controlling shareholders to take reasonable steps to . . . [simulate] an arm's length transaction." Now we've seen what's happened with the conduct of cabinet and the decisions made around the GTH, much of which information is still not being provided by this government. And we don't know here whether they took reasonable steps to simulate an arm's-length transaction. There's too many questions about the connections between the various players, Mr. Speaker, and we're certainly not getting that information.

You got to wonder about the appraisal that was done for the final purchase of land where the land has exploded in value, 10

times its value from previous in the original sale. And the reliance of this government on an appraisal that was done suspectly, I think, by the land purchaser. And now we can't even look at it, Mr. Speaker. It's not even available for the public to review. So is that, is that . . . Do we know whether the GTH took reasonable steps to simulate an arm's-length transaction? If they were privatized, under the 49 per cent rule that this government is proposing, the minority shareholders would have a legitimate case in the courts showing oppression of their minority shareholder rights.

The next thing in this list is an example of oppression and oppression of minority shareholder rights is "lack of good faith on the part of the director[s] of the corporation." Again when you think of the GTH scandal and what's going on there, the directions that SaskPower was given to purchase land at the GTH, which they're not using at all right now, the timing of which allowed the GTH to proceed with the maligned purchase that has raised so much question in the eyes of the taxpayers, the ratepayers, and certainly the questions that we're not getting answers to. Again is the type of behaviour that could land us up in court if these minority shareholders . . . Maybe we need minority shareholders in the GTH, Mr. Speaker. Maybe that would give us the answers that we need. Because we're certainly not getting them now. So maybe that would actually provide us with an outlet for answers to some of the questions that the cabinet is not providing at this point in time.

And finally the last one he talks about here is the failure to keep any or proper financial records. And of course that would amount to oppression as well. We see from the auditor's report a number of the failures on the part of the GTH to properly manage its affairs, to properly conduct its affairs. The weird situation where, you know, Sask Highways owns the land still in some cases that the GTH is operating from. And yet the GTH bought land that Sask Highways was going to buy for a much cheaper price. I mean the questions raised by the auditor alone are ones that would put any kind of relationship with minority shareholders into great jeopardy.

Another one that I think is kind of interesting is on page 35, and another evidence of oppression is the failure on the part of the corporation to provide adequate and timely disclosure to minority shareholders of contracts in which the majority shareholder has an interest in. So what I'm thinking here is that if the majority shareholder in this case is the Crown in right of Saskatchewan and that majority shareholder is privy to many, many, many cabinet confidences about how taxpayers' dollars are spent . . . So the contracts that majority shareholder has an interest in, if you think about the number of contracts that Government of Saskatchewan has an interest in, it's probably mind-boggling. There'd be hundreds and thousands of contracts. And according to this, if those contracts are not disclosed to these minority shareholders in these various public utility privatized Crowns, then that would amount to oppression.

So I wonder what's going to happen to cabinet confidences when there's a requirement for disclosure of decisions made by the majority shareholder, in this case is the Crown. So it may be putting cabinet confidences in jeopardy. These questions are troubling, Mr. Speaker, and I think this paper on minority shareholders' rights sort of points out some of the issues that we will be facing if we do the hybridization of Crown privatization as this bill is suggesting.

Will the cabinet have to disclose dealings with other Crowns? We don't know, Mr. Speaker. Will SaskPower, if it's privatized up to 49 per cent, have to disclose all of its dealings to the 49 per cent privatized SaskTel because of the rights of the shareholders to know what the majority shareholder is up to?

These kinds of things really lead to some troubling questions and even more troubling is the fact that we don't have any answers, Mr. Deputy Speaker, just this casual, two paragraph, short little comment by the Minister of Justice in his second reading comments, and that's it. That's all we have. It was just tossed out there like yesterday's breakfast, Mr. Speaker. And the complications and the various contortions that this is going to lead us into as a majority shareholder in our public Crown utilities is beyond the pale, and I cannot, I cannot support this kind of callous and cavalier of treatment of what is being proposed by this bill.

Another thing that is important and available on page 68, the author of this paper indicates something called "injunctive relief." So if the minority shareholder's rights are being oppressed or blocked in any way, what kind of relief can they get? And he says:

> Injunctive relief is very intrusive into the affairs of the corporation. However, an order to restrain oppressive conduct is suitable when made in the early stages before the damage is done. In *Re Little Billy's Restaurant (1977) Ltd., Faltakas v. Paskalidis et al.*, the company was enjoined from entering into a franchise agreement which had been proposed, and if consummated, would have siphoned off the profits to a company in which the minority shareholders had no interest.

Now I can think of many examples where, for example, SaskPower could enter into agreements, or worse yet, SaskPower's revenues are put into the GRF [General Revenue Fund] and then crop insurance is taking those profits and applying them to crop insurance payments because the GRF is that great melting pot of all these profits. So how can we stop those kinds of protections of the minority shareholders, Mr. Speaker? Those are questions that need answers and I'm not confident that we're going to be able to get those answers.

I just want to take us back now a little bit to November 22nd, 2004. And just sort of reviewing some of the comments that this government has made about the Crown protection Act, when the bill was introduced in 2004, the Sask Party opposition indicated their 100 per cent support of the bill. And I just want to share with you some of the comments from *Hansard* on November 22nd. This is a second reading speech. There was only one member of the Sask Party opposition that actually spoke to the bill, and here's what he had to say. Mr. Elhard was the only speaker from the Sask Party on this bill. He said:

> Thank you, Mr. Speaker. I would like to make a few brief comments on The Crown Corporations Public Ownership Act. For the record, Mr. Speaker, the Saskatchewan Party supports this Bill. The Saskatchewan Party supports the continued public ownership of the major Crowns.

And he goes on to say:

> The Saskatchewan Party, like the majority of Saskatchewan people, believe the major Crowns should stay in public hands. We believe that the major Crowns and their employees do an excellent job of providing services to the people of Saskatchewan. Therefore, Mr. Speaker, we have no problem supporting this Bill.

Now any rational person who, when they read this, would take those words at face value. They wouldn't be thinking, well they could sell off 49 per cent of it and still be supporting the public ownership of these Crowns. That just isn't logical, Mr. Speaker. It doesn't make sense. And I'm pretty sure that this construction that we're dealing with today was a desperate attempt on the part of this government to deal with some of its serious, serious budgetary shortfalls.

So this is an idea that was cooked up. I don't think it was in the mind of Mr. Elhard when he was speaking back in 2004. It just wouldn't . . . It's not . . . It defies logic that that is what he was thinking is, well yes, we'll sell off 49 per cent of them because then that would still be control. That's the word that the minister keeps focusing on. And it's interesting. He went on to criticize the government of the day for some of the taxpayers' losses that happened in some areas, and it totalled up to $137 million.

Mr. Speaker, we've seen, in at least two projects, the gross overspending of billions of dollars. So I mean the order of magnitude of these criticisms, when I see what's happening here 12 years later, is almost laughable. But I was kind of amused to see that comment. So this was the speech that he said, and he ended his comments by saying:

> . . . the Saskatchewan Party supports The Crown Corporations Public Ownership Act and commits to the people of Saskatchewan that a Saskatchewan Party government will keep the major Crowns publicly owned while focusing on providing the best possible service to Saskatchewan people, Mr. Speaker, all the while at the lowest possible cost. Thank you.

So this was what this opposite government said when they were in opposition. And the people, there are at least six, eight members who are still here today who voted in favour of that bill. So I think that's an interesting response. And we all know what happened, because of the 2003 election, why some of these things happened.

The Sask Party's 2007 election campaign had a lot to say about the Crowns, Mr. Speaker. And I think that was sort of the lesson learned when I was reading the Premier's comments from earlier, that the mistakes that were made in the 2003 campaign when they dared to venture thinking out loud about selling Crowns.

So what did they say in 2007? They said, "Keeping Saskatchewan's Crown . . ." This is their campaign promises:

> Keeping Saskatchewan's Crown corporations public and working for Saskatchewan people is an important part of the Saskatchewan Party's plan for Securing the Future. In 2004, the Saskatchewan Party voted in the Legislature to support the Crown Corporations Public Ownership Act.

And they go on to say:

> The Saskatchewan Party will ensure Crown Corporations continue to provide Saskatchewan people with the highest quality utilities at the lowest cost, while directing Crown dividends towards priorities like health care, highways, and education.

There we see, Mr. Speaker, a commitment to directing the Crown dividends towards priorities like health care, highways, and education. This 49 per cent scheme does not direct dividends towards health care, highways, and education, Mr. Speaker. It's a one-time asset conversion, and then we're going to end up in the same pickle that we are in now because they cannot control their spending and they cannot control their expenditures.

This promise went on to say:

> A Saskatchewan Party government will also strengthen Crown investment in our communities and post-secondary institutions to build an innovative economy, while helping Saskatchewan Go Green through initiatives by SaskPower [which is a promise that was not kept, Mr. Speaker], SaskEnergy and SGI to help Saskatchewan make smart environmental choices in their homes and when they drive.

And that is a complete non-starter at this point, Mr. Speaker, that's gone way out of sight of the public.

Then the Sask Party also put out their position paper after the election and again on page 37 they said that they would continue to support *The Crown Corporations Public Ownership Act* — this is after the 2007 election — and they would ensure Saskatchewan's Crown utility corporation remain publicly owned and focused on delivering high-quality service to Saskatchewan people at the lowest cost. Mr. Speaker, I don't think anyone reading that statement could ever infer that they intending to divest themselves of the 49 per cent of the Crown utilities.

Okay. Moving on, I have a few more comments. Another article about privatization. I haven't shared all the definitions that I found yet either, but this is a book called *Privatization: Successes and Failures*, and the editor is Gérard Roland and the forward is from Joseph E. Stiglitz. But on page 202 this is what this book, *Privatization: Successes and Failures*, has to say. And this is a short quote:

[20:30]

> The privatization of public services tends to burden the public, especially if charges are raised or if services provided are reduced. Obviously, private interests are only interested in profitable or potentially profitable activities and enterprises. This may mean that the government will be left with the unprofitable and less profitable activities, which, consequently, will worsen overall public sector performance. Public sector inefficiencies and other problems need to be overcome, but privatization in many

> developing and transition economies has primarily enriched the few with strong political connections who secure most, if not all, of these profitable opportunities, while the public interest is sacrificed and vulnerable to the powers of private business interests.
>
> Thus, while the experiences of privatization have been shaped by their political economy contexts, its proponents claim the moral high ground in assuming that private ownership will necessarily eliminate the abuse and corruption associated with public ownership. Privatization advocates tend to conflate private property with the market, and often presume that privatization will necessarily engender competition, eliminating rents and rent-seeking behaviour. Such presumptions and claims have been misguided. Privatization advocates have also neglected to consider alternative prescriptions for mitigating corrupt behaviour, e.g., by focusing on rent management for development by structuring rents to create incentives for desired behaviour instead of simply seeking the avoidance or elimination of rents.

So that's another thought from another book on privatization, and again I really want to express my gratitude to the library staff for helping me find some of these comments. This is another book that's in the library: *You Don't Always Get What You Pay For: The Economics of Privatization,* by Elliott D. Sclar. And in here he makes the following comment:

> Contemporary debate, although marked by far fewer politically viable options for active government but many more for market-sustaining programs, is far more nuanced in reality. Indeed, disgruntled conservatives mutter that in the two decades or so since they ascended to real political power with the election of Ronald Reagan as president, regulation of society has increased not decreased. Evidence exists in every area of social life, from the environment to the right to bear arms. It does not appear to matter whether the conservatives politically control the White House and/or Congress. At the same time, liberals are forced to confront the reality that there is no effective political interest in the types of large-scale interventions, such as urban renewal and public housing, that marked the middle decades of the century. On balance, it is fair to say that while the range of policy choices has shifted more in the direction of nonintervention, it has not been and is not a straightforward move. The notion that government is still the proper bulwark to contain social distress abides.

And I think that's a very powerful statement, Mr. Speaker: "The notion that government is still the proper bulwark to contain social distress abides." And I think again the example of the banking collapse in the United States in the late 2000s is a good example of that, where we expect governments to step in and intervene when the market fails. And he goes on to say here, "People merely expect government to do more with less."

And I think that is certainly what our public service is being asked to do here in this decade. And it says . . . Yes, that's basically enough from that particular book. But again there is much to be said, and I would encourage anyone who's interested to take a look at some of these articles and books. I think I'll leave this one for now, Mr. Speaker.

I think I'm getting close to the end of my comments. I just want to double-check and make sure that I've covered all the intentions that I had. Yes. Thank you very much, Mr. Speaker.

I just want to leave everyone with some thoughts from Maurice Sendak. Now Maurice Sendak wrote a very, very popular child's book called *Where The Wild Things Are*, and I think what this bill is doing is creating a monster of some sort. It's a hybridization Frankenstein of some sort where we see this weird amalgam of Crown, corporate, public policy interests and then mixing it in with these minority shareholder private interests that have no interest except profit, and trying to mix them together.

And in *Where The Wild Things Are*, there is a little boy named Max. And I sometimes wish we could be more like Max because he . . . I'm going to tell you what happened to Max.

> The night Max wore his wolf suit and made mischief of one kind
>
> and another
>
> his mother called him "WILD THING!"
> and Max said "I'LL EAT YOU UP!"
> so he was sent to bed without eating anything.
>
> That very night in Max's room a forest grew
>
> and grew
>
> and grew until his ceiling hung with vines
> and the walls became the world all around
>
> and an ocean tumbled by with a private boat for Max
> and he sailed off through night and day
>
> and in and out of weeks
> and almost over a year
> to where the wild things are.
>
> And when he came to the place where the wild things are
> they roared their terrible roars and gnashed their terrible teeth
>
> and rolled their terrible eyes and showed their terrible claws
>
> till Max said "BE STILL!"
> and tamed with the magic trick
>
> of staring into all their yellow eyes without blinking once
> and they were frightened and called him the most wild thing of all
>
> and made him king of all wild things.
>
> "And now," cried Max, "let the wild rumpus start!"
>
> "Now stop!" Max said and sent the wild things off to bed without their supper. And Max the king of all wild things was lonely and wanted to be where someone loved him best of all.

Then all around from far away across the world
he smelled good things to eat
so he gave up being king of where the wild things are.

But the wild things cried, "Oh please don't go —
we'll eat you up — we love you so!"
And Max said, "No!"

The wild things roared their terrible roars and gnashed their terrible teeth and rolled their terrible eyes and showed their terrible claws
but Max stepped into his private boat and waved goodbye

and sailed back over a year
and in and out of weeks
and through a day

and into the night of his very own room
where he found his supper waiting for him

and it was still hot.

And, Mr. Speaker, I would like to adjourn debate on Bill No. 40.

The Speaker: — The member from Saskatoon Nutana has moved to adjourn debate on Bill No. 40, *The Interpretation Amendment Act, 2016*. All those in favour?

Some Hon. Members: — Agreed.

The Speaker: — Carried.

Bill No. 12

[The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Duncan that **Bill No. 12 — *The Public Health (Miscellaneous) Amendment Act, 2016*** be now read a second time.]

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

Mr. Forbes: — Thank you. Well this is an interesting bill and I do, right off the bat, want to congratulate my colleague from Nutana on a very well-researched, well-said speech on a very important bill. And I think that was important. And it seems better researched, better researched than the actual bill itself, when today we asked the question about 10 per cent, and the blank looks across the front benches over there were amazing, amazing. Jaws dropped — 10 per cent, 10 per cent. So good work, good work my colleague.

I digress because I know we are talking about Bill No. 12, *An Act to amend the Public Health Act, 1994*. But I just do have to say when I see great stuff, I have to acknowledge it. And when I see not great stuff like I did during question period, I have to acknowledge that too. I have to acknowledge that too.

But I do want to . . . And I think this is an important bill, and actually this is one I, you know . . . It's interesting that sometimes when you stand up and you realize that this is, there's more to this bill than meets the eye. And I'm glad that we're having this discussion tonight because . . . [inaudible interjection] . . . Well I got to tell you, who's got the F in this room? Who's got the F in this room? And I don't see much room for improvement. But we . . . You walked into that one, minister.

So, Mr. Speaker, this is an important piece of legislation and I'll tell you why. Public health is really the foundation of how in a modern society we deal with diseases, we deal with health issues, and all of that. And so it's an important piece of legislation.

And I'll talk a little bit about what the minister is bringing forward. But then I want to talk a little bit about what I see are some of the gaps in a modern public health Act. And I think these are the kind of things we should be talking about. Particularly I know the folks in Saskatoon Centre for many, many years have issues about where they live, and one of them is public health and how it's not being addressed by *The Public Health Act*.

And so he talks about the reasons for this piece of legislation were required for several reasons. And I'll quote, the ". . . improved public access to public health inspection information." He talks about that, you know, in terms of eating establishments. And I know a few years ago, I did take a look at that website. I haven't recently, but that's very, very important.

And he goes on to say, "These amendments will allow public disclosure of a broader range of public health inspection reports and related information." And so I know that that will be interesting to see. One of the big issues we're dealing with is around asbestos. And asbestos where we've had a registry . . . now and I haven't looked recently to see how well it's being managed, but I know it's slow to get up and going in terms of adequacy and the ease of accessing information. But we need to do much more work on that.

But we need to do much more work in terms of asbestos, not only in public buildings but private businesses, private residence, any place where there might have been asbestos. If we can find that out, that's hugely important because I think in many ways . . . and I know the Minister of Labour will attest to this. We see way too many people dying related to workplace asbestos exposure. But we don't know how that's playing out in the private world where people are catching the cancers related to asbestos in various other ways. And I can tell you and I can relate to you, Mr. Speaker, stories of individual contractors and carpenters who were . . . have been exposed to asbestos. But foolishly, or not because of their own — but you know, just wanted to get the job done — have exposed themselves and have not followed proper procedures.

And that's just unfortunate, because we tend to think asbestos happens only in industrial sites, only in places where there is a clear union-management relationship and not in private homes where it might be in the flooring. The old linoleums that were made in the '40s and '50s, or even at the Minister of Labour's office just last year.

But so this whole thing about public health inspection reports, that's a big, big area I think that we need to have a good, good look at. And so this a . . . This is important. It says, "The

changes reflect our government's commitment to being open and transparent with important health-related information. This will bring Saskatchewan in line with disclosure practices in other provinces." And I would even in fact challenge the Minister of Health to even go beyond just being in line. I hope it's not behind the line, but actually being in front.

Public health is a hugely, hugely important issue. And this is the reason why, Mr. Speaker. If we take a look, if we take a look at the reasons that you can have for public health concerns, air pollution is an issue. Air contamination is an issue. Ambient air, meaning the air surrounding the Earth, including the air within a structure, and the communicable diseases and that type of thing.

But one that is missing, which is . . . we are doing a bit of work in my office around, is sound. And quite often, Mr. Speaker, we often think of sound. Sound is dealt with in occupational health and safety, but is not dealt in our communities and our neighbourhoods.

And this is an issue. This is a real issue. And we know that in Saskatoon there's been issues around the level of sound created by motorcycles or by bars. And I tell you, in my area, in Caswell . . . And I know the member who is a former city councillor knows this issue well, and one that I've been wrestling with for 15 years are the bars on Idylwyld just off 29th Street.

[20:45]

And somehow the hands of city council are tied because they can't act with a couple of bars because somehow they've been grandfathered in. But to me it is a public health issue. It's a public health issue when people can't sleep at night. It's a public health issue when children can't get enough sleep so they can learn at school the next day. And I think this is an issue. And there has been lots of research about this. In fact again the library did a lot of good work for me. Unfortunately that research is back in Saskatoon, but I could definitely bring that up.

But I do think this is one of my projects for the next four years, is to work on *The Public Health Act* around the level of noise in our communities. This is a big deal. And we seem to be tied by bylaws, and what the city council can do and can't do. But I think we have to say, you know, noise, no matter where it is, is not right at any time of the day, at any place. And whether it's in the workplace, in the factory or whether it's on the street corner or in a bar right across from a home, I think we have to have some laws about that.

And we can measure that. We can measure that. We know how much, how many decibels a rock band is playing at or a bar's sound system is or whatever. And I think this is a major deal because you see some of our communities, some of our neighbourhoods where they have bars right across the street. And I've got to tell you that . . . And actually it's interesting because *The Public Health Act*, when I think about the city congratulating itself for banning smoking inside bars, that was a good start. But when they allowed it, and I know in Saskatoon they say it's not allowed on patios, but it is allowed on patios. They just don't have the courage to actually prosecute. And we've raised this issue. They have some sort of finagling way of getting around it. But we need to do more work in this area.

And so when the minister comes forward and we'll talk about getting in line with other provinces in terms of public health, in fact we will really want to encourage them to get in front of the line and be leading the country, be leading the country. And I particularly am interested in the whole issue of noise because I think, and we see this research right across the world, right across North America and Canada, the noise levels that used to be acceptable are no longer acceptable.

You know, I grew up in a small village right along the main CP [Canadian Pacific] line. I don't know how many of us have grown up within a block or two of rail lines, but I did. But I just got used to that noise. I just got used to that noise. That's just the way it was. But now when I go back and there's a train coming through town, you hear it, you know . . . [inaudible interjection] . . . Yes, Moose Jaw.

But, Mr. Speaker, when we think about and I think about the people who live along Idylwyld across from these bars, I mean they have just given up on noise. They can't live there anymore. It's not a decent place for anybody to live, not at all, anyone. And this is going to be something that I am going to take on as a personal message because I think this is a public health issue. It's a public health issue. We deal with quality of water. We deal with quality of air, the land, diseases. But for some reason, one sense that we don't seem to have any concern about is our ears and what that means in terms of the quality of sleep that we can deal with.

And so, Mr. Speaker, I just want to put that on the record that we'll be looking and we'll be talking when this bill comes forward, that this will be one that I'll be very interested in some of the questions and what they might do to expand *The Public Health Act* and what might be covered in that, because it's already recognized under occupational health and safety noise levels and what's acceptable. But why that isn't the case for people who are trying to get a good night's sleep is beyond me when we know that getting a good night's sleep is a really good way to be able to work better, learn better, and all sorts of other better things in our communities.

So, Mr. Speaker, this is an important piece of legislation that's before us, and I will be asking a lot of questions about that. So when he talks about enabling better public access to public health inspection information, I think that's good. But we need to expand what does that public health inspections mean? What does it really mean? And we need to strengthen that as well and so beyond just eating establishments. It will be interesting to know as well when the minister brings this forward what kind of data they have in terms of what has been the impact of making these public health inspection reports public about restaurants and what does that . . . why is that giving them optimism to move forward with other reports. So that will be really important . . . [inaudible interjection] . . . Yes, and I would be too. And I think this is an area, you know, I think that . . . And it is interesting.

The folks across way said they're optimistic and I think we should be optimistic. We should bring what we know from occupational health and safety, some other best practices such as the restaurants, bring them into the public health sphere

because I think this could be helpful to our province. Here I've cited an example of a city council that was hamstrung because they couldn't work through bylaws what they should be able to do. But public health does trump some of these things and would make some of these things more enforceable.

He also went on and talked about the amendments addressing the key public health area in terms of communicable disease control, and he wants to make sure that the reporting requirements are current and reflect best scope of practices. And that's very, very important, so that'll be good. And so he doesn't go on to too much further than that.

We see that they'll be talking about repealing clauses such as what the "clinical nurse" means, and "nurse practitioner." What do all those changes mean? And of course those are important. And the clinical nurse will be in line with the bylaws of the Saskatchewan Registered Nurses' Association and adding new reporting duties of nurse practitioners when treating patients with category 2 communicable diseases. And so those will be the key pieces before us. But as I said, when we've got this piece of legislation in front of us, there will be many of us who will want to come forward and have a conversation about what public health means.

It will be interesting . . . Again the member or the minister didn't talk about who he had consulted with, whether there is unanimous decisions within the nursing world about these decisions and that they're supportive. So we'll have to find out about that. And of course, I think this'd be one that we'll have more questions on.

But of course, as I've said, once you open up a pretty important piece of legislation like *An Act to amend The Public Health Act*, *The Public Health Act*, then it's a good time for us to have a good conversation about what does that really mean in 2016 because it's been over 20 years since this piece of legislation has been, it looks like, has been opened up in some 22 years now. Now I'm not sure if that's accurate, but it hasn't been overhauled in 20-some years at least. We're still using the '94 version of *The Public Health Act* so I know that there will be many questions and a good discussion about what could be, what should be included in *The Public Health Act*. What are some of the other areas? As I said, I'm very keen about asbestos being moved over and how's it being treated in *The Public Health Act* sphere, because we think of it as occupational health and safety but it really should be something that is also included in *The Public Health Act*.

And as well, for me, as I said, sound or noise, and that will be something that I hope we can see some movement on, recognizing that it is considered an occupational health and safety hazard. And there's settings and levels within that piece of legislation, so why can't that be seen to be appropriate as well in a domestic setting? As I said, this has huge impacts and we see that. I see that in my own neighbourhood and I know there are neighbourhoods right across this province where that's an issue of noise that is not needed and can lead to other serious problems.

So with that, Mr. Speaker, I don't have much more to add to Bill No. 12, *An Act to amend The Public Health Act, 1994*. So I would move adjournment of Bill No. 12.

The Speaker: — The member from Saskatoon Centre has moved to adjourn debate on Bill No. 12, the public health amendment Act, 2016. Is it the pleasure of this Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Carried.

Bill No. 13

[The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Duncan that **Bill No. 13 — *The Cancer Agency Amendment Act, 2016*** be now read a second time.]

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

Mr. Forbes: — Thank you very much, Mr. Speaker. It's a pleasure to rise on this bill, *An Act to amend The Cancer Agency Act*.

It seems to be relatively straightforward. What I'm not sure of, what the reason for it but it seems to be really talking about moving the word or the phrase "cancer care" to "cancer control," and also allows the Ministry of Health to disclose a patient's cancer diagnosis to the agency.

Now the minister does talk about . . . Actually it's interesting. For the amount that's in here, the minister does give a pretty thorough discussion and so I probably should take a moment for the folks at home to just reflect on this.

But I do want to say that just as a shout-out, it's Movember, first day of Movember, so I know folks on both sides of the House are getting involved. We have two teams going. I know I ran into one member who spotted me the day I got my stache happening here. And I'm going to be looking for good things happening right across. We'll see how that turns out in the next 30 days or so. It's ironic; it ends on November 30th. So we'll have a good show of what people's staches look like at the end.

But it is very, very important. And I think the folks, particularly in a House, you know, in a Chamber like ours, we have 61 members, and by far the majority are men over 40, over 50 who probably should be making sure they get themselves checked out. And the women as well can be suggesting to the men they know, they should be getting checked out, I think, as we can all relate to folks and friends and family who've had to deal with cancer.

And so while that one is front and centre in this month, others are . . . You know, all cancers are deadly and horrendous, and we should be taking our best to prevent and make sure that we provide for high-quality cancer care.

Now the minister talks about this, and he says he wants to provide some context for the proposed amendments and why this is. And he talks about Saskatchewan having a long history of innovation in cancer treatment, prevention, early detection, research, and technology — and that is so true — and talking about the provincial government establishing a Cancer Agency more than 85 years ago. So truly, truly we do have a long

history.

And I think of the different types of treatment with radon — I think I've got that right, radon treatment — and all the, you know, the innovation we've had in the province here. Really we have a lot to be proud of; the pioneers have done some great work. But they need to continue to do good work, and they need to continue to have that support.

And so he talks about how — and this is a shocking number — the number of new cancer cases diagnosed in Saskatchewan is projected to increase 54 per cent by 2036. So in the next 20 years we'll see a 54 per cent increase. And how is that? Why is that? Why is that happening?

I'm not sure. But in order, he talks about how the agency, Cancer Agency, has ". . . developed a strategic plan for influencing care across the province" while going ahead as leaders in ". . . research, treatment, education, population health, promotion, and [disease] prevention." So the goal is ". . . to minimize their risk of getting cancer and play an active role in their personal health and well-being."

[21:00]

And that is so, so important to do. So when we're facing a 54 per cent increase, we need to do so much more to be out in front of that. Because we know the later stages, whether it be the hospital care or the drugs, it just becomes very, very, very much more, much more expensive.

And so, he suggests, ". . . the proposed amendments in this legislation will fill some gaps in *The Cancer Agency Act* so that we can better equip the organization to perform its role in strengthening cancer control." Now I'm not sure, if I look at this, whether the word "control" is actually defined. And what makes it different? And you know, I mean it really is . . . It would be interesting to know what, you know . . . I mean if the agency feels it's important to use that word, that's fair enough. But to go through a legislative process to put one word in and take one word out seems to be a significant move. And why is that? And so why is "control" better than "care"? I think that would be a question that we would have.

And so, you know, and in terms of a government that we've seen really stuck on definitions, that to have a bill before us that is a fairly significant bill because, as we've said, if people, when they're touched by cancer it can be so alarming, and so, you know, in so many different ways, that to put that out there, people may wonder so what is, what comes along with the word "control"? You know, we have *The Interpretation Act* talking about definitions of what privatization means, and we've talked about some of these definitions. But this isn't defined and I'm wondering why. And the minister does go on and seems to go to some length to talk about equipping the organization, and he's referring to the Cancer Agency, ". . . to perform its role in strengthening cancer control in our province." So that will be a piece of the questions that we'll have to ask for sure as we see this move further down the road, but that's interesting why so much of this legislation is really focused on that language.

As well he talks about the need to make sure that the agency ". . . has the statutory authority it needs to request, collect, and disclose information in order to effectively meet its responsibility to provide cancer control services." And again, that word "control" pops up. And of course, you know, as we move forward in the next 20 years and this 50-plus per cent increase, there is going to be a lot of questions about that.

And so he talks about how the amendment ". . . clarifies the agency's authority to disclose information to the North American and international cancer registries which act as central registries for cancer research, surveillance . . . [reporting, analysis], and assessment of cancer risks." So in many ways that seems to be relatively straightforward. "All central registries in Canada and the United States are members of the multinational registries which enable the use by authorized organizations of de-identified patient information . . . [and] better understand, prevent, and treat cancer." So in terms of privacy, it seems they've dealt with that.

Again this is an important area where we might draw on the expertise of our Privacy Commissioner. Whenever we have governments who are looking to collect and deal with data, I think it's always worthwhile to have our people, our privacy people, take a look and say, this makes sense; we can get behind this, or no; here are the flags. And so the minister talks about de-identifying patient information. So that's fair enough, but does it meet the test of making sure that personal information does not get out in a way that can be identifying to people? So again we want to make sure that, you know, there's no unintended consequences. That's part of why we ask the questions we do. We throw them out there and hopefully the minister can come and be prepared to answer them and be ready to go on this.

And as I said the word "control," I don't have a real problem with it. I just find it odd that as we evolve our language, that wasn't more clearly defined. Are we talking about it in sort of a mega provincial way as opposed to at the individual person level, and at the personal level we talk about care; at the provincial level we talk about control? Maybe that's the case. I don't know. I think we need to know more about that.

Well here as I check, the minister does say that he will be, "the Privacy Commissioner will be consulted about the agency's ability . . ." And it's interesting that it's sort of in the future tense. We've got the bill here. We are going to consult. I would have assumed that they would have consulted beforehand and we wouldn't be in this situation where it's going to be after the fact.

Because I can remember one time this government got caught consulting with the Privacy Commissioner after the fact and they had to withdraw the bill. I think it had to do with super IDs [identification] and the fact that they had proposed the bill with SGI, and then in the end of the day had to withdraw the bill because the information came back that it didn't meet the test of privacy and that the people of Saskatchewan would not be served well by the legislation.

So with this piece of legislation, I know many of our folks will want to speak to this at some length and also in committee. And I would hope the minister then, the new minister, will come back with a couple of pieces of information that the old minister made the commitment on. The old minister said that they will

consult with the Privacy Commissioner, so I anticipate that the new minister will have that information in committee and be ready to talk . . . The new minister should be prepared to talk about what does it mean, what's the definition of "control" versus "care" and why is it not defined in the definitions.

So with that, Mr. Speaker, I would move that we adjourn debate on Bill No. 13, *An Act to amend The Cancer Agency Act*. I do so move. Thank you.

The Speaker: — The member from Saskatoon Centre has moved to adjourn debate on Bill No. 13, *The Cancer Agency Amendment Act, 2016*. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Carried.

Bill No. 14

[The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Stewart that **Bill No. 14 — *The Horned Cattle Purchases Repeal Act, 2016*** be now read a second time.]

The Speaker: — I recognize the Opposition House Leader.

Mr. McCall: — Thank you very much, Mr. Speaker. I'm glad to join debate this fine evening on Bill No. 14, *The Horned Cattle Purchases Repeal Act, 2016*. And I want to go on record right off the top here, Mr. Speaker, that the minister gave a heck of a speech when he was talking about the repeal of this Act. You can find it in *Hansard*, May 30th, 2016. It comes in for a bit of a star treatment a couple of weeks later in *The Western Producer*.

And certainly, Mr. Speaker, there are pieces of legislation that come before this House where they have something of a time capsule quality to them, Mr. Speaker, and certainly this would be one of them. And again, Mr. Speaker, an Act that was first proclaimed in 1939 has gone through a number of twists in the trail since then, Mr. Speaker. And we're coming up . . . I'm not sure, but the member from Weyburn-Big Muddy looking to get into the debate. I know he's not trying to steer me wrong. That's probably not where that's going, Mr. Speaker, but I'll endeavour to do the best I can.

But certainly I also want to thank the Minister of Agriculture and the Minister of the Environment for providing the opposition with a briefing note consisting of a picture of a nice cow with a big old rack of horns on it, you know, calling for the repeal of the bill. It was these kind of communications that really make the point, Mr. Speaker . . . Now I hear the Deputy Premier chiming in. You know, what would be a debate on *The Horned Cattle Purchases Repeal Act* without a bit of heckling from the Deputy Premier? I mean it's hard to imagine it otherwise.

But certainly, Mr. Speaker, in terms of, you know, something that's come from 1939, you know, the $2 levy, the $1 levy that it initially was in terms of the penalty, and the changes in practices that have gone with beef management over the years, you know, the levy itself, last significant change was 1949 when it was increased to $2. There was some consideration at the start of the last decade in terms of increasing that amount. That was never taken up. But certainly the funds generated under this piece of legislation certainly I know in the last decade have gone to different endeavours.

In the minister's remarks he talks about how the fund is nearly depleted. It would be interesting to see what the dollar amount is on that and, if there are any undertakings out there in terms of research or development that had previously been taken up by this piece of legislation and funded as such, what will be happening with them.

But, Mr. Speaker, it's an interesting piece of legislation. The, you know, minister's standing forth to finally knock the horns off this piece of legislation. You know, it may be long overdue. And again of course we've got the Deputy Premier; I don't know if he's trying to steer me wrong now as well. I have a hard time hearing over my own speech, Mr. Speaker, but I guess I'll get them to fill me in on it later perhaps, behind the bar.

But certainly the minister makes a number of compelling arguments in his piece of . . . in the second reading speech he'd given May 30th, available in *Hansard*, Mr. Speaker, and again, given a star treatment later on in *The Western Producer*.

But in terms of the way that practices have changed, the incidence of horned cattle being, you know, markedly less, moving from what was once 1 in 5 to, you know, a mere fraction of that these days, and the appropriateness of the funding, of what it costs to even administer the levy, there are a number of arguments why the time has come to arrive at a place where we've got *The Horned Cattle Purchases Repeal Act* in front of us.

With that, Mr. Speaker, I know that other of my colleagues, you know, they've given some fine speeches on this subject, and I'm sure there's some fine ones still to come. And with that, Mr. Speaker, I'd move to adjourn debate on Bill No. 14, *The Horned Cattle Purchases Repeal Act, 2016*.

[21:15]

The Speaker: — The Opposition House Leader has moved adjournment on Bill No. 14, *The Horned Cattle Purchases Repeal Act, 2016*. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Carried.

Bill No. 15

[The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Wyant that **Bill No. 15 — *The Provincial Court Amendment Act, 2016*** be now read a second time.]

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

Mr. Forbes: — Mr. Speaker, I feel offended. Everybody moved to the back of the room. It's my turn and they all move away. What is the issue here?

So, Mr. Speaker, I do want to congratulate my colleague on a fine speech, and I'm glad when I came back in the room, everybody was listening so intently. I thought he must have really hit it on the mark, so great stuff.

But my bill is not quite as exciting, but it is still very, very important. It's Bill No. 15, *An Act to amend The Provincial Court Act, 1998.* And it's a relatively straightforward one. The bill takes the power to create a list of temporary judges from the cabinet and gives it to the Minister of Justice, allows the judicial court to dismiss frivolous or vexatious complaints against judges, and allows the Judicial Council to have one member respond to a complaint rather than the whole council and changes the rules for court-appointed lawyers by introducing new restrictions.

And so we've seen several of these. We've talked about the Queen's Bench last night, and we talked about the small claims court. And this is one that now the minister talked about how this is a kind of . . . And he says, "Mr. Speaker, the Provincial Court of Saskatchewan is . . . often the first point of contact for members of the public with our independent judicial system." And he's proud and impressed. And I agree that it's a hard-working, professional court. But I'm not, you know, I don't know whether it's the first point of contact. It wasn't my first point of contact, but there you go.

But anyways, it's an important one that we deal with, and it seems to be part of improving the court systems so that they can do their work more effectively. And these are the kind of issues that they would like us to deal with. And talks about the process for the review of Provincial Court judges who are subject to a complaint as to their conduct by the Judicial Council. The Judicial Council is comprised by representatives from all levels of the judiciary in Saskatchewan as well as members of the bar and government appointees, under the chairmanship of the Chief Justice of the province. This is an important piece, and you know, again being a layperson and not a lawyer who knows the ins and outs of the court system.

But we did see an important inquiry into the conduct, the comments of an Alberta judge this past while in the conduct of a sexual assault case, I believe it was, in Calgary. And it was very . . . Some of the comments that were made by the judge were out of line and it really showed how important it is to . . . Just for us as well, we have our ways of being held accountable. Teachers, doctors have their ways of being accountable. So it's important that judges have their ways of being held accountable because at the end of the day in society everyone has a role or serves the public good and has that public trust, that sacred public trust. It's so critically important, so critically important that for there to be confidence, there needs to be transparency and accountability.

And so when this comes forward, this will be one that we will need to know more about because we hope that we're not closing the door, not streamlining it so much that in fact it will hamper and hinder the public's confidence in the judicial system at the Provincial Court level. And while it's important to make sure that the process is streamlined, that in fact some of this needs to be a little bit robust. It needs to be robust. It has to have rigour. It has to have a way that the public can have due course as this woman had in Alberta. And I think all of Canada, through the national news, was shocked that the judge did not have the appropriate training to deal with these kind of court cases that he was hearing, and he was having an old-fashioned, out-of-date set of values that was no longer supported in Canadian society.

And so we want to make sure that we haven't lost this with this review process. And so we'll have to have those questions, and we'll have to make sure the minister assures us that the Provincial Court and the Judicial Council is as responsive as it can be and as accountable and transparent as it can be. Many, many people, myself, would not have known we . . . I guess we would go to a website and look it up and try to find our way, navigate our way through that if one of our family members were, or one of our friends were treated in a way that was just not right. But we need to make sure that access is there.

So it says the minister goes on talking about ". . . [amending] the Act to provide the Judicial Council with greater flexibility in the conduct of their reviews of the allegations of judicial misconduct and for the remedies that may be imposed." And so that's exactly what we're talking about is in light of these, and it would be of interest, and I'd just speak offhand of one situation in Alberta, and there may be others that I'm not aware of but others in the Chamber are. And because no one is perfect and that's why judges, like everyone else, have professional development. And it's an important, it's a key part of their day-to-day upkeep of their knowledge and their values and current thinking and best practices. We all need to be doing the best that we can to be current. And so this will be very interesting to know what they're doing in terms of that kind of work.

It also talks about ". . . [authorizing] the Minister of Justice to directly establish the list of temporary judges, including those from other jurisdictions, as recommended by the chief judge of the Provincial Court." And I assume . . . Well this is where he talks about "Currently this process requires an order in council." So the question I have then is an order in council's a public document, so we will see the names of the list that the minister has recommended to the cabinet to approve in terms of the temporary judges. But if this is a case of the minister establishing a list of their own, of course in conjunction with the chief judge of the Provincial Court, is that list a public document? Where would that list be found? Will it have the same scrutiny? I'm not sure.

You know, we see a movement of this government to move towards regulation and again that moves it one step away from public scrutiny because we don't have a chance to participate in the debate around regulations until after the fact, until they're published in the *Gazette*, and online — if they're published online — as such with occupational health and safety. I know that's one set of regulations that's published online.

But will this be the same, and is that serving the people of Saskatchewan well? And I think that's a question the minister will need to answer in committee is, does it serve the people better for the minister to be alone in the responsibility of

developing that list or is it better to have that a cabinet decision and then publish as an order in council? And again if this is just a streamlining or getting rid of some red tape, I'm not sure, when we talk about the confidence in our judiciary system, that is serving the people of this province well.

Unfortunately, and we know this to be the case that, you know, it's not an even playing field, that we all get involved with the court system once and that's it. You know, it's not that way. In fact too many people are caught up in the judiciary system way too many times. And I see that and we hear. We see that in our inner cities, in our communities where young people are running. Sometimes they get caught up in the judiciary system and they're getting caught up in not following up on certain commitments under the law, and it just gets to be a vicious cycle. And so for some people, this is a very, very important piece. And I think like the John Howard Society, Elizabeth Fry Society, these kind of rules when they're made public, help them feel more confident that the judiciary is a transparent and an accountable part of our society. But when we see these things being concentrated within the Minister of Justice in his office, then that leads us to question is this, how does it serve, how does it really serve the people in a better way?

And so the minister does not really talk about that, just says that this will be the way it will be, and so that's really unfortunate. And we don't dispute . . . The minister, maybe at the end of his remarks, as I've said earlier, he's impressed by the hard work and professionalism of the courts. And we are as well; we are as well. But this is our role in the opposition is to give rigorous debate about the bills before us and ask those questions that lay people, common people, would ask. We aren't on the inside of the decision making of these bills. We don't know what . . . Are these the biggest problems the provincial courts are facing in Saskatchewan?

What's interesting, last night when we had the Court of Queen's Bench come forward, a lot of their concerns were because they're being swamped with business, too much business. This sounds like there's another type of issue with the provincial courts, and whether that's the complaints or frivolous concerns raised about judges now. Again the minister doesn't say we've had 27 charges or complaints raised last year. That's up 50 per cent in the last four years. He gives us no sort of environmental scan of the issues that are facing the provincial court system. And that's unfortunate because we should have a better sense of the challenges our judges at the provincial court level are facing, and the officers of the court and the system, because we're kind of going in here kind of blind. We don't know. Is this the biggest problem? Are these the biggest problems?

It's kind of like the definition of privatization. Ten years after, 12 years after these folks came with the NDP when we were in government to vote along, had no problems. But for 12 years, it was quite fine. Then all of a sudden, late in October, they had to . . . It was a problem.

So, Mr. Speaker, I do digress on this because I do think the judiciary system is one that deserves time in and of itself, but again as we've said . . . And you know, last week we were debating a bill, another Justice bill, and we were talking about the innovation agenda that they had. And I have to say, the minister has not eluded to whether this is part of a larger strategy because we've had the small claims court, the Court of Queen's Bench amendment Act before us, and this one now, is this a part of a larger strategy that's been out there?

[21:30]

And again has there been consultation? Now as I said, Elizabeth Fry and John Howard both would have opinions, I think, on this. There may be other organizations that would have opinions on this. Have they been consulted? Because we do not want to have the unintended consequences of this kind of thing going forward and then finding out, oops, we've made some mistakes here.

I think these kind of things are a little bit more than housekeeping. When we talk about the complaints process, clearly we've come some ways. We've come some ways in our province where we do have a complaints process in terms of how the police are dealt with. If there's a complaint against the police, we have a process for that. And that's been pretty much out there, so we have a pretty good understanding of that. This is something new that we haven't really heard a lot about.

And so as I said, it would've been interesting for the minister to say, is this part of a bigger package? This is the process, the judiciary system in Saskatchewan, with various levels and these are the kind of . . . When we looked at the environmental scan of the judiciary system in Saskatchewan, these are the problems that we foresee. We don't see a problem with complaints against judges at the Court of Queen's Bench. That's not an issue. But we see an issue of the courts being clogged at the Court of Queen's Bench but not at the provincial courts. I'm not sure, and I'm only speculating here because of what appears to be the issues that the minister seems to be raising.

And again, as I said, the fact that the minister himself or herself will be completing these lists and whether they would be in the public record or some access to the public record. Myself, you know, it's my old saying, if it ain't broke, why fix it? So why are they fixing this way of making the list? What's broke about it? Why is it easier for the minister? It seems that when a minister makes a recommendation to cabinet, especially in this kind, unless there is a real strong reason for someone not to be on that list, they probably would accept the recommendation and would move on forward. So I'm not sure what's trying to be fixed here.

So with that, Mr. Speaker, I know that we may get to a few more bills tonight but this is one that I think has some points that should be raised in committee. And it's not a straightforward one, but I would move that we would adjourn Bill No. 15, *An Act to amend The Provincial Court Act, 1998*. I do so move. Thank you.

The Speaker: — The member from Saskatoon Centre has moved to adjourn debate on Bill No. 15, *The Provincial Court Amendment Act, 2016*. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Carried.

Bill No. 16

[The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Harpauer that **Bill No. 16 — *The Adoption Amendment Act, 2016/Loi modificative de 2016 sur l'adoption*** be now read a second time.]

The Speaker: — I recognize the Opposition House Leader.

Mr. McCall: — Thank you very much, Mr. Speaker. Again good to take my place and join debate this fine evening on Bill No. 16, *The Adoption Amendment Act, 2016* and of course its French language counterpart.

It's an interesting subject, Mr. Speaker, and it's one that's quite close to my heart in a couple of different ways, Mr. Speaker, and I guess . . . You know, I have immediate family that I love very much that know what it is to be adopted. And you know, I certainly have friends and acquaintances that have been through the whole adoption process as well.

And you come to a number of observations about it, and certainly the circumstance I'm most familiar with, Mr. Speaker, worked out really, really well and in terms of . . . you know, it wasn't perfect and it wasn't without some stresses all around and some heartache all around, but it worked out really well for the person who was adopted, for the family that was immensely enriched by the adoption.

When, you know, the time came to re-establish connection, when the person adopted had reached the age of majority and, you know, got to know the birth parents, that worked out really well also. And I guess I'm here to say that, you know, that adoption can be a wonderful, wonderful thing. And I know that's not always the case, Mr. Speaker. And I know that it's a complex situation on the face of it, and now ever more complex in terms of, you know, international adoptions, in terms of the ongoing engagement, involvement of the birth parents, and the different sort of factors that are increasingly complex that lead to questions of adoption.

So I guess I state that all off the top, Mr. Speaker, by way of indicating my interest in this subject, and certainly my hope that the amendment Act that we have under consideration here in Bill 16 will lead to an improvement of the system and will increase the odds of adoptions working out like the one that I am most familiar with in a really wonderful way.

But in terms of the particulars of the legislation itself, Mr. Speaker, it sets out to accomplish a number of things. Some of them fairly, you know, dealing with the nomenclature and trying to bring it up to date. Some of it bringing in line with best practice, both, you know, jurisdiction to jurisdiction here in Canada, but also how Canada interacts with the countries that have signed on to the Hague Convention on the Rights of the Child, I believe, and as well how non-adherent countries are dealt with in that case as well.

But certainly from the top, changing "Crown" ward to "permanent" ward, doing so because "Crown" being viewed as an outdated term and no longer referenced in other child welfare legislation, would seem to be a fair enough proposal, Mr. Speaker. In terms of removing "simple adoption" from *The Adoption Act, 1998*, again, fair enough. Where it seeks to modernize language around what constitutes the child's best interests, again, fair enough. The Act moves to change considerations for the ". . . religious faith, if any, in which the child has been raised" to "the child's cultural and spiritual heritage and upbringing."

Again when determining what's in the best interest of the child that would seem to be a good move, Mr. Speaker, because again, on a different but certainly related subject, Mr. Speaker, as we've seen with the whole question of the Sixties Scoop, following on the heels of what happened in the residential school system, if you aren't seeking to nurture that cultural and spiritual heritage and upbringing, it can set you on a pretty dangerous path in terms of damage to the child as they grow to be an adult. And we have far too many examples of how that has gone wrong in our society, Mr. Speaker. So that would seem to be a reasonable change.

In terms of increasing the amount of time parents can revoke their consent to an independent adoption or voluntary committal from 14 to 21 days, this moves it to be in line with a majority of other jurisdictions. Again, you know, it's one thing to say that, it's one thing to see it written on a piece of paper; it's entirely another to be the two sets of parents and the child, the newborn, involved in those 14 days, or now those 21 days. And certainly it's a pretty wrenching experience, is what I know of it, Mr. Speaker, again from both sides.

So you want to be as certain as you can. Perhaps that additional time will lend itself to greater certainty on the decision, which again is one of life and death in some cases, but certainly a huge impact on a life, Mr. Speaker. But we'll be interested to see if that is an improvement and is regarded as such by the parties that are involved on either side of an adoption.

Where the bill allows assisted adoption benefits to continue to subsequent legal guardians if both adoptive parents pass away, again, Mr. Speaker, in terms of adoption it's really and truly adoptions should be about the best interest of the child. And a change like that would only further secure those best interests in the case of a tragedy such as the passing away of both adoptive parents.

The bill allows the Minister to enter into payment agreements directly with a youth between ages 18 and 21 if the youth is engaged in an educational or vocational plan. The agreement-making with the youth recognizes ". . . the youth's independence from the family unit," as well as allows ". . . the Minister to continue to support a transition plan if the adoptive parents pass away after the youth turns 18."

Again, Mr. Speaker, it'd be interesting to see what experience backs up the need for this particular change in the legislation. But usually these things don't come from nowhere, to mangle a phrase, Mr. Speaker. But certainly if this change is there, I imagine it was predicated on experience. And if that, again that 18-to-21 phase and what that means for youth that's in that situation, it's very important that you ensure security for that individual around their education or vocational plan.

The legislation also moves to restrict ". . . the court's ability to hear/take into consideration a child's voice in court to age seven

and up." Again, Mr. Speaker, be interesting to know more about what the past practice was, what the experiences in other jurisdictions. What is the developmental evidence that is being brought to bear to make this determination that seven is the age at which that should occur? But that, I'm sure, will await the more extensive questioning that is on offer at the committee stage. But for the time being, if you think about, you know, seven-year-olds, that's a pretty young age for a human being to be speaking for themselves in court. But how that works, again we're presuming this is based on best practice, both in other jurisdictions and in terms of what the developmental research has to tell us. So we'll look for affirmation in that regard from the minister come the committee stage.

[21:45]

The bill also removes section 28, "Simple adoption orders," and all references to section 28 because of requirements for simple adoptions being incompatible with the legal requirements for intercountry adoption as they do not require the severing of parental ties or informed consent by the birth parents and do not prevent birth parents from applying to revoke their consent to this type of order.

Again, Mr. Speaker, this measure certainly speaks to the increased complexity and the increasingly global nature of the very question of adoption. What used to be very much a local, community-focused matter is now certainly a question that moves between countries, between continents, and indeed around the globe. And certainly, Mr. Speaker, the legislation needs to keep up with that, and it would seem to be an effort in that regard.

The legislation introduces a new section, section 27.1, laying the foundation to support cases involving the adoption of a child from a country that is not a signatory to the Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption, the new measure being consistent with the requirement for any type of adoption granted in the province. Again, Mr. Speaker, an important step that keeps the legislation current with the global situation that we behold in the question of adoption in this 21st century.

The legislation ensures that the penalties resulting from the release of identifying information on an adult adoptee's birth registration are consistent with the penalties found within the updates made to *The Adoption Regulations, 2003*.

Again in terms of, if I'm remembering the minister's second reading speech correctly, she talks about in the vast majority of cases a simple reminder of the non-contact provision, if that's what's being contravened, that that be respected. And that, in most cases, again by the minister's remarks, is sufficient to uphold the provision. And if that is indeed the case, it would be good to know a bit more about, you know, what is the incidence of this type of thing. And again, having some experience of individuals that have sought out that contact after they've achieved the age of majority with parents, and the kind of interest that has to be expressed on both sides of the equation for those wishes, for that position to not be respected, I would imagine could be quite traumatic, Mr. Speaker. So whatever way we can seek to maintain those provisions and is most effective, I'm open to those arguments.

The bill also introduces a new section, section 35.1 allowing the minister to apply for a court order against any person who is not complying with any provision of the Act, the regulations or a decision or an order issued because of the Act. Again. Mr. Speaker, it provides a certain differentiation or gradation to the steps that the minister can take to ensure that the terms of an adoption agreement are respected by the involved parties.

The bill removes the provisions regarding the Family Services Board, regarding family services boards. Now, the family services boards were established back in the '90s with *The Child and Family Services Act*, or they were brought into being, but they were never established.

And again, Mr. Speaker, someone with a very limited knowledge of the child welfare system, but with a fair amount of experience with the way that it works or doesn't work, it would be interesting to know what the impetus was around family service boards, and why those were not taken up upon. And perhaps I can pursue that conversation with certain of my colleagues who have a great deal of expertise on that question. But if they have never been taken up, it would be good to know why not. But if, you know, they were brought into . . . the possibility of them was allowed for in the '90s, here it is 2016 and they were never realized. It would seem to be a fair enough move to repeal those provisions in the Act, and as well, as I understand, to align the Act with current practice.

The bill also provides regulation-making authority that describes who can complete a report for the court with respect to a child who is proposed for adoption, as well as what information the report shall contain. Again it would be good to know what those current regulations consist of, and if there are in fact significant changes considered on those reports, both who can fill them out and what they should consist of.

And again, Mr. Speaker, it's always exciting to get the legislation and to see different of the activities prescribed in the legislation be devolved to regulation because it certainly doesn't have the same sort of visibility or transparency, let alone scrutiny, that is afforded by the legislation process and the work here in the Assembly, Mr. Speaker. But again, that will be interesting to get the minister's response in the more close and complex questioning that is afforded by the committee process and as well with the expert advice from officials being on offer in that circumstance as well.

The bill also supports applications recognizing simple adoption orders made prior to the coming into force of *The Adoption Amendment Act, 2016*, and again, Mr. Speaker, again fair enough. These adoptions and applications for simple adoption orders will be going on and the world, of course, shouldn't stop spinning while we await passage of this bill, but it'll be interesting to, again, get a better understanding of how many applications are being made. What's the rate? What's the actual number involved?

And again, it's not without precedent certainly, Mr. Speaker, but this kind of grandfathering or, you know, telescoping into the past from the future date of passage of the legislation is not usual practice, Mr. Speaker. That they see fit to bring that forward as part of the legislation again begs a more complex answer from the minister and officials, and I'm presuming we'll

get those answers in committee.

So, Mr. Speaker, some further considerations have been dealt with certainly by other of my colleagues. I know that other of my colleagues will have more to add on this subject. But certainly when you think about *The Adoption Act*, when you think about *The Child and Family Services Act*, and you think about the basic intent of these pieces of legislation, it's a very simple thing arrayed against something which is very complex, which is a situation in modern society, and the situation of far too many kids out there.

But if we can keep that best interest of the child to the fore and bring everything along in the train of that and to also be very thoughtful in how we construe that best interest of the child and not, you know, disrespectful or hurtful or harmful, as we've seen at too many points where horrible things were undertaken by people that were proclaiming themselves to be working in the best interests of the child, but in fact were doing something very much, very much to the opposite. That best interests of the child needs to be thoughtful, needs a very refined and well-thought-out approach.

And, again, I await further interventions from my colleagues on this bill, and I look forward to the minister's participation in the committee stage hearing of this bill when we'll have, I'm sure, a much more finely detailed discussion of the provisions in this legislation. But for the time being, Mr. Speaker, I would move to adjourn debate on Bill No. 16, *The Adoption Amendment Act, 2016*.

The Speaker: — The Opposition House Leader has moved to adjourn debate on Bill No. 16, *The Adoption Amendment Act, 2016*. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Carried.

Bill No. 17

[The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Boyd that **Bill No. 17 — *The Power Corporation Amendment Act, 2016*** be now read a second time.]

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

Ms. Beck: — Thank you, Mr. Speaker. Mr. Speaker, I'm pleased to stand in my place this evening and enter into debate on Bill No. 17, *An Act to amend The Power Corporation Act*. Certainly, Mr. Speaker, this is a relatively small bill that we are debating today. On its surface, much of it is appears to be housekeeping, including changes to make the language in this Act more gender neutral, which certainly members on this side would concur with.

A substantial number of the changes also involve removing unnecessary plural forms and deleting references to persons and to representatives, and replacing them with a singular and an explanatory note that all singular references also refer to the plural. So that certainly doesn't bear a whole lot of debate or attention from this side.

But there certainly were, Mr. Speaker, some clauses in this legislation that did capture my attention and the attention of members of this side, my colleagues. In the explanatory notes that were provided with this bill, Mr. Speaker, it's noted in section 8 in clause 5 that the intent is to clarify what is proposed here, is to add to SaskPower's authorized powers to include those that are connected with or incidental to the powers set out in other statutes. And the example here that's given, Mr. Speaker, is *The Crown Corporations Act*.

Also in that clause and section under (j), it's noted that the intent is to clarify — again using that word, Mr. Speaker — cabinet's power to designate additional powers that it considers SaskTel requires for efficient operations of its business.

[22:00]

Now, Mr. Speaker, I have not stood in this Assembly for very long at this point. I think it's about six months. But I have learned to pay attention when that word "clarify" comes up from members opposite, almost as much attention as we saw members opposite pay to the bill to repeal *The Horned Cattle Purchases Act*, Mr. Speaker. My colleague says it's like waving a red flag, and certainly it is, Mr. Speaker. I've learned that much can be packed into that term "clarify," and sometimes what we're left with is a little less clarity than we had in the first place.

Mr. Speaker, I pay attention to anything that notes cabinet granting itself additional powers regarding our Crown corporations, for reasons that might be obvious, but I think I'm going to go into them a little bit here, Mr. Speaker. Certainly the decision to use SaskPower to purchase lands associated with the GTH have proven to be problematic, Mr. Speaker, and we have some serious and enduring concerns. I know the members opposite aren't necessarily wanting to talk about it, but I think members on this side certainly will continue to seek answers and our own clarity, Mr. Speaker, with regard to that decision.

Mr. Speaker, certainly another thing that we will be seeking clarity around . . . and my colleague from Nutana certainly did a more than capable job this evening seeking some clarity around *The Interpretation Amendment Act*, Mr. Speaker, the previous Bill 40 that was spoken to, again reminding all members that the stated intent of that Act is to clarify the definition of privatization. And again, as my very capable colleague at length pointed out, that instead of bringing clarity, Mr. Speaker, what it has brought is a whole lot of questions.

So certainly questions as to what some of the consequences might be, some that I know that she's paid a lot of attention to, and I think that all members in this Assembly certainly would do well to pay that kind of attention to — exactly what might that type of endeavour, privatizing up to 49 per cent of our Crown corporations, including SaskPower as we're talking about here, what that might entail, what that might mean for implications for taxation, what that might mean for implications for minority shareholders, Mr. Speaker. And the list goes on. So I think that for those reasons and many more, when that term "clarity" comes up I do pay some extra attention.

Another thing that certainly warrants attention and further debate is it takes all the way up to page 8 of the explanatory notes, Mr. Speaker. I'm just going to move to that now, which really is probably the main reason for this proposed bill. And that is it's recommended that there's an amendment to increase SaskPower's current borrowing limit from 8 billion all the way up to 10 billion, Mr. Speaker. That's a lot of money, as my colleague says, and I certainly agree with her.

Mr. Speaker, the last time that this legislation was amended to increase that borrowing limit was in 2013. At that time the amount was raised from $5 billion up to $8 billion, where it currently sits. And this proposal would in three years take it up another $2 billion. That's $5 billion, Mr. Speaker, since 2013, a doubling of the borrowing limit for SaskPower. And that draws a lot of concern, Mr. Speaker, for a number of reasons. I'm just going to turn to the minister's comment — the then minister, I should say — his comments when this bill was proposed in this legislature back in June, Mr. Speaker.

He noted that "SaskPower has the responsibility to provide safe, clean, reliable power to the people of Saskatchewan . . ." and certainly we members on this side would agree with that. He noted that "SaskPower continues to make substantial capital expenditures to replace aging infrastructure and meet the province's energy requirements . . ." And he also makes note of the goal of increasing renewable capacity of this province to 50 per cent.

So certainly, Mr. Speaker, those are reasons that we could look at. But I think that there are a few other pieces that are missing from his remarks that day, and I think they help us paint a bit of a picture as to how we're in a situation in 2016 contemplating a doubling of SaskPower's borrowing limits in just a few short years, Mr. Speaker, so to remind members of course.

Also not present in the former minister's comments: the 47 million that was wasted on smart meters, the cost overruns and glitches associated with the $1.5 billion Boundary dam 3 carbon capture project, as well as the underproduction and the subsequent penalties that were paid by SaskPower to Cenovus for not meeting their CO_2 contractual obligations, Mr. Speaker. Those totalled $20 million in 2014 and 2015. So not only is it ageing infrastructure, it is mismanagement and frankly scandal after scandal that have contributed to this financial picture, and now the proposed amendments to increase it yet again, the borrowing limits of SaskPower.

And lest you think that the ratepayers are getting off on not paying more, Mr. Speaker, that certainly isn't the case. Rate increases have also been put through by SaskPower, the latest just earlier this year, and that was the second rate increase, Mr. Speaker, in just six months. So on one hand we see this steep and consistent rate increase on one hand, and then this increase, a very steep rate of borrowing by SaskPower on the other hand, Mr. Speaker. And I think some of my colleagues have deemed that the carbon capture tax, and I would be inclined to agree with them, Mr. Speaker.

Going back again to the minister's comments from June, he noted that SaskPower is in the process of moving to 50 per cent renewables, increasing that capacity by 2030, including 1600 megawatts of new wind power and capacity to reduce emissions by over 40 per cent below the 2005 levels, Mr. Speaker. I'm not sure if the proposed Chaplin wind farm was part of what was anticipated in that 1600 megawatts, Mr. Speaker, but we know that that proposal has been rejected, and so puts SaskPower back at the drawing board. Certainly on the surface . . . I'm not an expert in either migratory birds or wind power, but it did seem an interesting choice of location to place that wind farm right by a major migratory bird preserve. And so we are without that particular wind farm, Mr. Speaker.

And I do have some questions about this plan for 2030. Certainly members on this side would share that we need to move to renewables and have a plan for doing that. It's great to have a target, Mr. Speaker, but targets only go so far if you don't have a plan. So certainly this has been a topic of debate.

And while the Premier doesn't want to talk about some things . . . and members opposite, there are things that they certainly have made a lot of their own noise about. And one of those is the proposal by the federal government to impose a carbon tax. And I know that members on this side, and our leader has stated this very clearly, that he's in opposition of any imposed measures by the federal government. But I think it is incumbent on the Premier and the government to come up with a plan of their own frankly, Mr. Speaker. And well I'm not hearing a lot of those ideas from that side, Mr. Speaker.

There has been a lot of money and a lot of energy and a lot of time invested in the Boundary dam project, which does take a small amount of carbon out. But some of those other plans, you know, things that we're hearing in other places where they're coming up with their own ideas, investments in solar, investments in wind, geothermal . . . An idea that I recently heard, and again I think it warrants looking further into it, is using depleted oil wells for geothermal projects. And that's something that holds some promise, Mr. Speaker. But we're not hearing a lot of those ideas here.

And while we are increasing the borrowing again — doubling that since 2013 — we're not seeing that kind of investment in those renewables, Mr. Speaker. And I think that that's a big issue. If we are investing in infrastructure, it's important that we have good ideas and plans to further those goals and this government's own target to move to renewables, a 50 per cent increase by 2030, Mr. Speaker. Even enacting their own legislation that has already been passed but not proclaimed regarding targeting high emitters, that would be start, Mr. Speaker, but we're certainly, we're not seeing that.

By contrast, in Alberta they have invested and put incentives for solar installations on a number of public buildings and also in schools and farms, areas like arenas, libraries, recreational centres, Mr. Speaker. And I think that that's a really interesting idea. Certainly was something when I was on the school board I always thought, you know, you have these buildings that are sitting empty for good portions of the year, to capture solar energy from the roofs, solar panels on the roofs, and when they're sitting idle putting that power back into the grid, I think is an idea that is certainly worth looking at and exploring. We're seeing huge uptake in other jurisdictions, and it would be interesting and exciting to see that sort of innovation and commitment, frankly, Mr. Speaker, to those solutions that we are seeing in other jurisdictions.

And you know, another thing that is particularly concerning, Mr. Speaker, about this increase in debt and the borrowing limits and increased powers to cabinet, Mr. Speaker, with regard specifically to SaskPower, is again that GTH land scandal. Twenty-five million dollars of that land was bought by SaskPower, remarkably just in time to allow the GTH to buy another 204 acres, Mr. Speaker. So I know we will have more comments about that.

But those kind of decisions where we overpay for land and use our Crowns to enter into those type of decisions, Mr. Speaker, are deeply concerning, deeply concerning to the people of Saskatchewan. I know the government says that they want to put that behind them, but we're not done talking about it, Mr. Speaker. And we will continue to talk about it and raise those issues when we are speaking to this bill, Mr. Speaker, in question period, and wherever we can. Because we simply haven't, haven't received the answers that the people of Saskatchewan frankly deserve.

[22:15]

This over saddling of debt in the Crown corporations, particularly in SaskPower, was certainly something that I heard on the doorstep a number of times, Mr. Speaker. Not only is the government increasing the debt, they're using Crowns and racking up debt within our Crowns at an alarming rate, Mr. Speaker. And I think that that leads sometimes to exploring really desperate, desperate, very desperate measures such as, you know, floating the idea of privatizing up to 49 per cent of our Crowns, Mr. Speaker.

So while again this bill is relatively small in being only three pages, it holds a whole lot of questions in it, Mr. Speaker, and really some questions that are enveloping all of what we've been talking about here — mismanagement, wasted money, you know, increasing debt, and lack of clarity. Ironically, Mr. Speaker, that lack of clarity. And I know the people of Saskatchewan want us to ask those questions and continue to ask those questions, and we will, you know, with regard to this bill.

And exactly what is the need for this additional 2 billion where that last . . . why we're coming again in 2016 when we just came for 3 million . . . or $3 billion rather, Mr. Speaker, in 2013. Those are really important questions. And you know, if we saddle our Crowns with too much debt, it also places them in jeopardy. So it's something that we will continue to pay very, very close attention to, Mr. Speaker.

I know that a couple of my colleagues have had opportunity to speak to this bill, and I know that we all will want to continue to give it the scrutiny that it deserves. And as my colleague from Athabasca noted, we need to know where the money is going, Mr. Speaker, not only increasing debt, our provincial debt, but also increasing our Crown debt. And it is concerning, Mr. Speaker. It's part of a trend, despite the assertions from that side that this is simply about clarity, Mr. Speaker. I think that it more than anything points to a decided lack of clarity and, frankly, of desperation.

I do want to leave room for my colleagues to add their questions and concerns to this debate. I know that they will have a lot to say, and we certainly aren't done speaking to it yet, Mr. Speaker. But I think that with that I will conclude my remarks and adjourn debate on Bill No. 17, the Act to amend *The Power Corporation Act*. Thank you.

The Speaker: — The member from Regina Lakeview has moved to adjourn debate on Bill No. 17, *The Power Corporation Amendment Act, 2016*. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Carried.

Bill No. 19

[The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Wyant that **Bill No. 19 — *The Film and Video Classification Act, 2016*** be now read a second time.]

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

Ms. Sproule: — Thank you very much, Mr. Speaker, and I'm pleased to enter into the debate tonight on this bill, *The Film and Video Classification Act, 2016.*

One of the things that really bugs me about this bill is that it's being treated as if it's a brand new bill, and yet it is actually very, very similar to its predecessor *The Film and Video Classification Act* which was passed many years ago, with a few minor changes. And what makes it really difficult for legislators when we are looking at the new bill is to really try and ascertain exactly what is new here. Because we had an Act very, very similar with a lot of the same wording, a lot of the same clauses, a lot of the same ideas, and yet with one change to the way the classification board is being removed and being replaced with an individual. That's really the main change, and yet we're dealing with a brand new bill.

So it's a bit frustrating in that sense because it's hard to know exactly what's new here. And as a result of that, whenever this happens, we're often fortunate enough to get explanatory notes about the changes if the bill is being amended. But unfortunately we don't get any explanatory notes when bills are being replaced, even though the similarities are throughout. But at any rate, I'll first start with . . . And that's just one of my annoyances with the way this is structured.

But the bill itself, the minister indicated when he introduced this back in June that the main thrust of the new legislation is to allow the administration of the industry to be performed by an official, a director of film classification, rather than the board. This used to be done by a board. And if you look in the old bill, there was an establishment of this board, the Film Classification Board, and there used to have a chairperson and two other board members who were all appointed by the Lieutenant Governor in Council.

But the powers or the makeup of the board is now being switched out and we have, instead, a director. And the duties of the director are very similar to what the board used to do. And you'll find that the former section 3 of the bill, which is what

the board may do, is now replaced almost verbatim with section 5.

So what is it, you may be asking yourself, that the board used to do and that the director will be doing? What happens is that the board can "charge the owner of a film or any other person who proposes to exhibit or distribute a film any fees that may be prescribed in the regulations for classification and review of films . . ." So apparently he can charge fees, he or she. They can also charge fees for registration. We don't know what those are because they're prescribed in the regulations.

And I guess they can also exempt, in accordance with the criteria in the regulations and subject to any terms they consider appropriate, any person from all or any provision of this Act or the regulations. That's pretty broad, and that actual right is what the board used to have. I'm not sure that is still there for the director. That actual right seems to have been removed from the board's . . . The board used to be able to exempt people, but now that may be actually buried completely in the regs or removed altogether.

So I think the main thrust of a lot of this, Mr. Deputy Speaker, is, as the minister indicated, just to allow this director to replace the Film Classification Board.

One of the things I was interested in is to know how the board is going to be appointed. And as it turns out, the board . . . sorry, the director, how will the director be appointed? Through the same process actually. Well it's a little bit different. The board used to be appointed by order in council. Now this is devolved down to the minister.

So there's a little bit less scrutiny involved with the appointment of the director. And the director may also . . . The minister can appoint the director of film classification and one or more deputy directors of film classification.

They have some pretty extensive powers, too. The board used to have these powers and now they're passed on to the director. They can actually go into any theatre without a warrant, or any place connected with that theatre other than a private dwelling place. So the only place they cannot go is to a private dwelling place. But they can enter any theatre or place connected with a theatre where a film may be located:

> enter any premises, other than a private dwelling place, where a film is or is to be distributed.

They can:

> require the production of a film and any advertising associated with the film that the director or person considers necessary.

In this case, production, I assume, means to actually produce the film itself, not be a film producer. And:

> require any owner of a film or any owner, operator or person in charge of the theatre or premises to give the director or person all reasonable assistance.

So you can walk into the business place of these people who show films and just demand all kinds of things.

So there's very broad, broad rights that are presented here in terms of what this director can do. And he can also, as I indicated earlier, charge a number of fees. There's significant fines, offences, and penalties that exist in the new Act. Of course, they also existed in the old Act and they're very similar although . . . In fact, even the amounts are pretty much the same: 5,000 for an individual offence; and in a corporation, 100,000. Those are the same limits that were in the previous bill so that hasn't been changed either.

So there are some exemptions in the old bill. For example, a church is exempt from these requirements under the Act, which I find very interesting. And I'm not sure those exemptions . . . Oh yes, they're still there in the new bill under section 13. So who is exempt from the film classification?

> a church or religious society, if the film is designed for purposes of worship or religious instruction.

So that is quite interesting, Mr. Speaker, in terms of the freedom that is being afforded here to churches, religious societies.

Secondly, the exemption applies to:

> a university, school or other educational institution for which the minister responsible for the administration of *The Education Act* . . . is responsible, if the film is designed for educational purposes.

So you can show pretty much anything in the classroom because there is no classifications applied, if I understand this correctly.

Also, the Act doesn't apply to:

> a film designed for the purpose of advertising, demonstrating or instructing in the use of commercial or industrial products.

So those kind of films are exempt.

And then finally, the Act also does not apply to:

> any other film or class of films, person or class of persons or advertising associated with films that may be exempted in the regulations or by the director pursuant to clause 14(6)(c).

So there's further exemptions that, of course we have no idea what they are because it's either at the discretion of the director herself or the regulations which . . . We haven't seen the regulations for this bill yet and we have no idea when we will see them because that is part of the process where we don't see and have an opportunity to comment on the actual regulations themself.

If you look at the regulation-making authority, again it's very similar to what it was in the previous Act. But there's a whole list of things that the Lieutenant Governor in general can make regulations for, and even the first one itself is quite broad:

"defining, enlarging, or restricting the meaning of any word or expression used in this Act but not defined in this Act." Prescribing fees, exempting people, there it is in 21(c). So they can make regulations that will exempt any person or class of persons on any terms and conditions.

So as you can see, Mr. Speaker, there's a whole lot of, I'm not sure, I want to say non-clarity, but I think it's rather there's just a lot of questions that would not be available to be answered until the regulations are passed.

At any rate, you know, I think it seems the minister is trying to make changes that are reflected in other jurisdictions as well, and also they're consistent with programs, other programs administered by the Financial and Consumer Affairs Authority. So in that sense I think these changes are fairly innocuous.

And it's just too bad we don't have a vibrant film industry here in Saskatchewan that could be having these films applied to them, so that's what's missing is an actual film industry here in Saskatchewan.

At any rate, at this point, Mr. Speaker, I would . . . That's the extent to my comments and I move that we adjourn debate on Bill No. 19, *The Film and Video Classification Act, 2016.*

The Speaker: — The member from Saskatoon Nutana has moved adjournment of debate on Bill No. 19, *The Film and Video Classification Act, 2016*. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Carried. It now being 10:30, this Assembly stands adjourned until tomorrow at 1:30.

[The Assembly adjourned at 22:30.]

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Minister Responsible for the Status of Women

Hon. Ken Cheveldayoff
Minister of Parks, Culture and Sport
Minister Responsible for the Public Service Commission

Hon. Kevin Doherty
Minister of Finance

Hon. Dustin Duncan
Minister of Energy and Resources
Minister Responsible for SaskEnergy Incorporated
Minister Responsible for Saskatchewan Telecommunications

Hon. Bronwyn Eyre
Minister of Advanced Education

Hon. Joe Hargrave
Minister of Crown Investments
Minister Responsible for Saskatchewan Government Insurance
Minister Responsible for Saskatchewan Transportation Company

Hon. Donna Harpauer
Minister of Government Relations
Minister Responsible for First Nations, Métis and Northern Affairs

Hon. Jeremy Harrison
Minister of the Economy
Minister Responsible for Saskatchewan Liquor and Gaming Authority
Minister Responsible for The Global Transportation Hub Authority
Minister Responsible for Tourism Saskatchewan
Minister Responsible for Innovation

Hon. David Marit
Minister of Highways and Infrastructure

Hon. Scott Moe
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Minister Responsible for Saskatchewan Water Security Agency
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Hon. Don Morgan
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Hon. Greg Ottenbreit
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Hon. Jim Reiter
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Hon. Lyle Stewart
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