



FIRST SESSION - TWENTY-EIGHTH LEGISLATURE

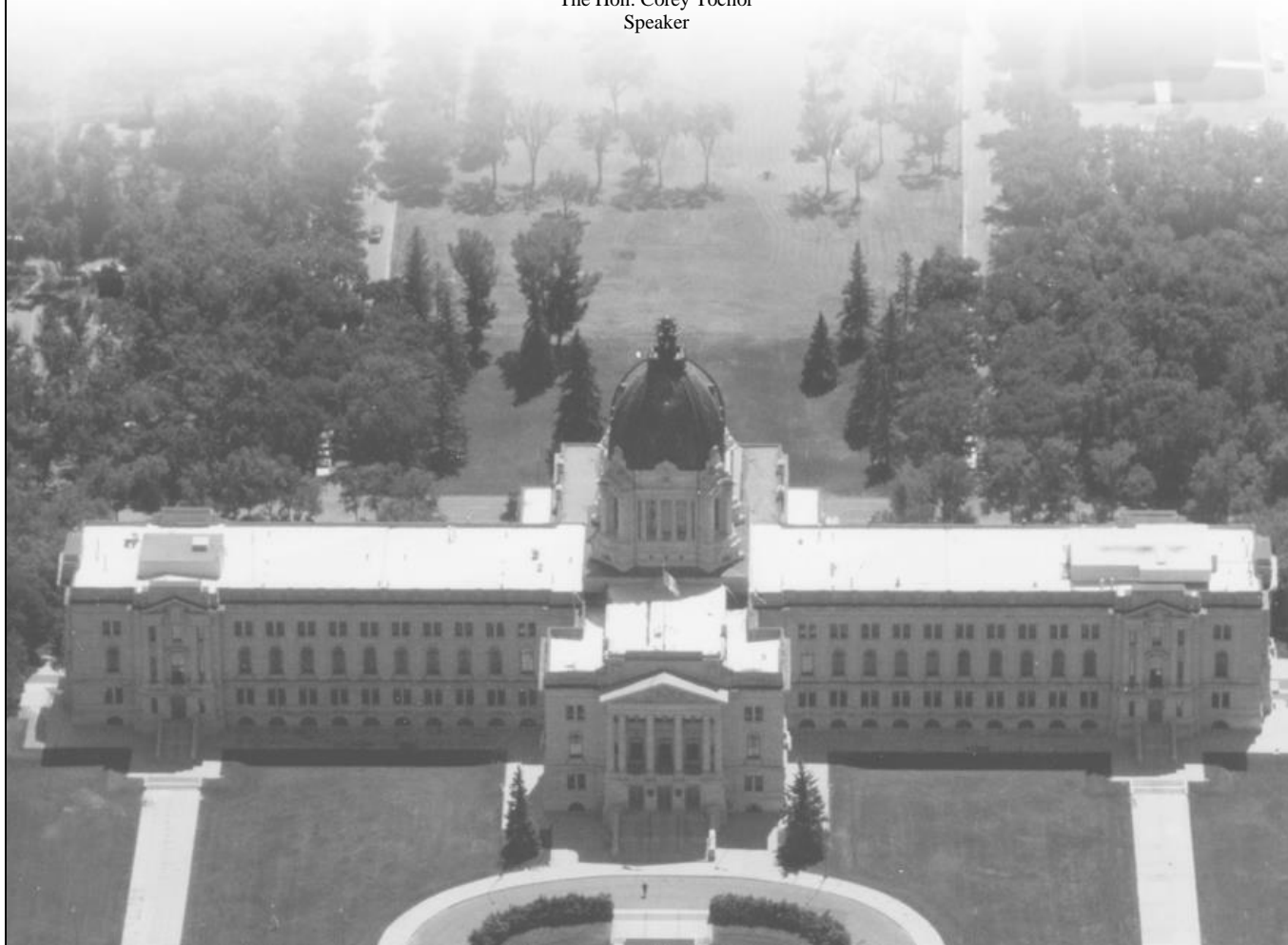
of the

Legislative Assembly of Saskatchewan

**DEBATES
and
PROCEEDINGS**

(HANSARD)

Published under the
authority of
The Hon. Corey Tochor
Speaker



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

Speaker — Hon. Corey Tochor

Premier — Hon. Brad Wall

Leader of the Opposition — Trent Wotherspoon

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Wall, Hon. Brad — Swift Current (SP)

Weekes, Randy — Biggar-Sask Valley (SP)

Wilson, Hon. Nadine — Saskatchewan Rivers (SP)

Wotherspoon, Trent — Regina Rosemont (NDP)

Wyant, Hon. Gordon — Saskatoon Northwest (SP)

Young, Colleen — Lloydminster (SP)

Party Standings: Saskatchewan Party (SP) — 50; New Democratic Party (NDP) — 11

Clerks-at-the-Table

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[The Assembly met at 13:30.]

[Prayers]

STATEMENT BY THE SPEAKER

Ruling on Points of Order

The Speaker: — I'm prepared to rule on the points of order that were raised by the Government House Leader immediately after question period on Tuesday, March the 7th, 2017. The Government House Leader raised three separate instances of unparliamentary language which he indicates were contrary to the rule 47 and were used during question period by the Opposition Whip, the Opposition House Leader, and the member for Saskatoon Nutana.

The Government House Leader, while raising his point of order, alleged the Opposition Whip shouted "lies, lies, lies" from his seat. He went on to state that the Opposition House Leader used the paraphrase "half-truths" and, further, that the Finance critic used "lies" in her questions. In response to the point of order, the Opposition House Leader encouraged a review of the record and asked that not just the words should be considered but also the manner in which the comments were made.

I've reviewed the record and am now prepared to rule on this matter. With regards to the first instance, the Government House Leader alleged that the Opposition Whip shouted from his seat "lies, lies, lies." I have carefully reviewed *Hansard*, taken into consideration there is no other record of the member making these remarks, and, further, I did not hear these remarks. It is on this basis I find that the point of order is not well taken.

However, I would like to remind all members that hurling insults across the floor is contrary to the proper conduct in this Assembly and can incite disorder.

In the second instance, the Government House Leader indicated that the Opposition House Leader used the phrase "half-truths." On page 1568 of *Hansard*, the member did state, "... they want the whole truth, not a half-truth." On May 16th, 2013, Speaker D'Autremont ruled the former member for Prince Albert Carlton out of order when he used the words "half-truth." At the time, the Speaker cited the definition of half-truth as "... a statement that mingles truth and falsehood with deliberate intent to deceive." In this instance, the member was required to withdraw his remark and apologize.

I find this point of order is well taken. At the end of my statement, I would ask the Opposition House Leader to withdraw the comment and apologize.

The final point of order relates to the use of the words "lies" by the opposition Finance critic, the member from Saskatoon Nutana. I reviewed *Hansard* and on page 1568, there are two instances where the member used the phrase, "... the games, the lines, the spin ..." and "... the lines that we keep hearing ..."

During the debate there was a lot of noise in the Assembly and

it may have been difficult to discern the difference between the words "lies" and "lines." However, after reviewing the record, I find that the member from Saskatoon Nutana did use the word "lines." I find the point of order not well taken.

In closing I would like to caution all members to temper their comments and use restraint when making comments across the floor as this interferes with the proper function of this Assembly. Members should be mindful of displaying proper decorum and adhere to the rules of the debate. I'm requesting that all members co-operate in toning down the banter as it does not add to the effective parliamentary discourse.

I recognize the Opposition House Leader.

Mr. McCall: — Mr. Speaker, I apologize and withdraw the comment.

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

The Speaker: — I recognize the Premier.

Hon. Mr. Wall: — Thank you very much. Mr. Speaker, it is an honour for me, a real honour for me to be able to introduce a couple of special people that are seated in your gallery, in the Speaker's gallery.

I'll begin with my only sibling, my brother Barry. He was here earlier. He had the chance to meet a number of members on this side of the House. And I didn't request leave for an extended introduction, but I hope members are patient, that it might be a little longer than convention.

He had a chance to meet some of my colleagues on this side of the House. The Deputy Premier helpfully pointed out, asked how much younger was he than I. He's my older brother, for the record, Mr. Speaker. But I am very pleased to tell members of this House that he and his wife, Glenda, have recently moved back to Saskatchewan from Lethbridge, Alberta.

He is a farmer and an entrepreneur. He is a man of character. He's a man of faith and faith in action. I would note a couple examples of his activities, both in Alberta and here and abroad. He volunteered with Samaritan's Purse when they responded to the crisis as a result of the Katrina disaster in Louisiana and was there for some two weeks. He is an example actually to which I aspire, Mr. Speaker, and I'm very grateful that he's here in the House today. I think it's his first time here, a chance for me to introduce Barry to all of you and through you to the province.

I would also want to introduce that he is joined today by someone who's very special as well. Barry and Glenda have three sons. One, the oldest son, lives near Swift Current. The middle son is in Saskatoon. He's an autobody tech there. And their youngest son is living near Swift Current with Barry and Glenda, and he's joined us today. His name is Darren.

Darren Wall has ... He's got expertise in a number of areas, and I shared that as well with members of the cabinet. I had the chance to make sure he got to meet members of the cabinet. He

knows a lot of them because one of the areas of his expertise is to follow politics here in Saskatchewan and previously where they were in Alberta. I had the chance to introduce Darren to his MLA [Member of the Legislative Assembly], who is also the Minister of Highways. They live on Highway 363, and he had the opportunity to point out to the Highways minister that he still has a lot of work to do when it comes to 363.

Some of his other areas of expertise include, well, trucks. He knows a lot about trucks of all sizes, I would say. And he is a great friend to all pets that he meets including our own Zeke and his own cats. And, Mr. Speaker, Darren's just very special to me and special to all of us in our family.

So I would like to ask all members of this House to join with me in welcoming to their Legislative Assembly today, Barry and Darren Wall.

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

Ms. Sproule: — Thank you very much, Mr. Speaker. And in recognition of International Women's Day, you're going to be hearing a lot from the women in our caucus today. And I'm going to start it off, first of all, with a couple of introductions.

First off we'd like to welcome some of our labour leaders who are here in the east gallery. This is Lorne and Bill from Unifor. They're here representing the interests of working people here in Saskatchewan and on behalf of us we'd like to welcome you to your Legislative Assembly and thank you for the important work that you do for the working people of Saskatchewan. So welcome to your Legislative Assembly.

And while I'm on my feet, Mr. Speaker, I'd like to also take this opportunity to introduce one of my colleague's constituency schools. All the way here from Saskatoon is the Caswell Community School we'd like to welcome. This is the grade 8 students. My son went to Caswell many years ago, so I know your school and I think it's a great school.

And so we have the grade 8 students from Caswell Community School accompanied by their teachers, Susan Lutkin — where's Susan? There she is — and Kayla Fraser. There's Kayla up front. And then we have a couple parent chaperones too: Belinda Bilous is there somewhere — there's Belinda — and Kerri-Anne Puderak. There they are.

So thank you very much for coming to your Legislative Assembly. You're about to witness democracy in action, and so we're very pleased you took the time to come here today. And I think MLA Forbes will be giving you a tour later . . . [inaudible interjection] . . . The member for Saskatoon Centre. I apologize to the House for that. So your MLA will be taking care of you after the House, and he could answer any questions you might have. Thank you very much, Mr. Speaker. Welcome these students.

The Speaker: — I recognize the Deputy Premier.

Hon. Mr. Morgan: — Thank you, Mr. Speaker. I'd like to join with the member opposite in welcoming the union leaders that are here today. The people of the workforce of our province,

both within the civil service and those who are part of the workforce outside of the civil service, are part of what makes our province the great place that it is today. So I want to certainly welcome them to their legislature.

And I note they had a few of their friends here with them for lunch earlier today, and I want to wish them all the very best and thank them for the service that they provide to our province.

The Speaker: — I recognize the Provincial Secretary.

Hon. Ms. Wilson: — Thank you. To you and through you, Mr. Speaker, I would like to introduce a good friend and constituent of mine. Her name is Victoria Jurgens, former MLA. She was the former MLA of Prince Albert Northcote and we spent many hours together, so I'm very pleased to see her here again. As well I would like to introduce her husband, Allan Jurgens, in your gallery, and please welcome him to his Assembly. Thank you.

PRESENTING PETITIONS

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

Ms. Chartier: — Thank you, Mr. Speaker. I am pleased to rise today to present a petition to stop the redirection of funding of the Northern Teacher Education Program Council, Mr. Speaker. The petitioners point out that this is . . . NORTEP [northern teacher education program] is, and NORPAC [Northern Professional Access College], particularly NORTEP has been a program with 40-plus years of success, Mr. Speaker. The most recent report that this government commissioned saw that, in the last five years, 94 per cent of NORTEP grads found successful employment in northern Saskatchewan, Mr. Speaker, and this program has also improved the teacher retention rates in Saskatchewan schools.

I think it's important to point out on this International Women's Day, Mr. Speaker, that of those 94 per cent of NORTEP grads, many of them, a large majority of them, are in fact women, Mr. Speaker, women who, through having opportunity, raise their community, uplift those in their community as well, Mr. Speaker. NORTEP provides the opportunity for these graduates to raise and create further opportunities for people in our community, Mr. Speaker. And people in the North and quite frankly all across Saskatchewan are not happy about this redirection of funding. I'd like to read the prayer:

We, in the prayer that reads as follows, respectfully request that the Legislative Assembly of Saskatchewan call on the Sask Party government to immediately restore their five-year agreement to fund the Northern Teacher Education Program Council, Inc. and continue to fund NORTEP-NORPAC programs in La Ronge.

Mr. Speaker, this petition today is signed by citizens from Stanley Mission, Air Ronge, and La Ronge. I so present.

The Speaker: — I recognize the member from Moosomin.

Mr. Bonk: — Thank you, Mr. Speaker. I'm pleased today to

rise and present a petition from the citizens who are opposed to the federal government's decision to impose a carbon tax on the province of Saskatchewan. I'd like to read the prayer:

We, in the prayer reads as follows, respectfully request that the Legislative Assembly of Saskatchewan take the following action: to cause the Government of Saskatchewan to take the necessary steps to stop the federal government from imposing a carbon tax on the province.

Mr. Speaker, the petition is signed by citizens of Wapella, Moosomin, Rocanville, Whitewood, Fairlight, Weyburn, Fleming, Spy Hill, Wolseley, Indian Head, Yorkton, Lemberg, Wawota, Langbank, Esterhazy, Maryfield, Welwyn, Redvers, Manor, Carlyle, Storthoaks, Peebles, and Kipling.

I do so present.

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

Ms. Sproule: — Thank you, Mr. Speaker. I'm rising to present a petition to the Legislative Assembly. The people who have signed this petition wish to bring to our attention the following: citizens in this province believe in an economy powered by transparency, accountability, security, and equity; and that all women should be paid equitably; that women are powerful drivers of economic growth, and their economic empowerment benefits all; that research published by the World Bank suggests that closing the gender wage gap could be worth the equivalent of 10 per cent of Canada's GDP [gross domestic product] — that's a lot.

That the Canadian Centre for Policy Alternatives found that in Saskatoon in 2016 women earned on average 63 cents for every dollar that a man makes, and in Regina, women earned on average 73 cents for every dollar that a man makes. According to the most recent Statistics Canada data, the national gender wage gap for full-time workers is 72 cents for every dollar a man makes. And I think on today, Mr. Speaker, International Women's Day, this is even more poignant that we're pointing this out.

I'll read to you the prayer. The prayer reads that they:

Respectfully request the Legislative Assembly of Saskatchewan eliminate the wage gap between women and men across all sectors where the Government of Saskatchewan has jurisdiction, provide a framework under which this can be done within this term of the Assembly, and that the Saskatchewan government call upon workplaces within Saskatchewan within the private sector to eliminate the wage gap between women and men.

I so submit.

[13:45]

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

Ms. Rancourt: — Thank you, Mr. Speaker. I'm pleased to

present to you a petition to increase the funding to Prince Albert mobile crisis. Mr. Speaker, Prince Albert has a higher than provincial average for domestic violence and the victims are primarily women and children. It's very important that we have trauma- and crisis-trained professionals to attend those calls, to work with the victims, and provide referrals to community agencies that can provide support. If trauma is addressed at the initial contact, there is a lot of research that shows that the long-term effects are minimized.

Not only does mobile crisis provide that support but also, after the incident, they go back and they provide follow-up services to victims to ensure that they're receiving the support they need. Our Prince Albert Police Service and the staff at Victoria Hospital do a very good job when they're working with victims, but they are not trained for the specialized work that the crisis workers do. And since services to mobile crisis has been reduced, women and children are not receiving the support they need and deserve. So, Mr. Speaker, I'll read the prayer:

We, in the prayer that reads as follows, respectfully request that the Legislative Assembly in Saskatchewan call on the Saskatchewan Party government to increase funding to Prince Albert mobile crisis unit so they may once again provide 24-hour emergency crisis service.

Mr. Speaker, the individuals signing this particular petition are from the city of Prince Albert. I do so present.

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

Ms. Beck: — Thank you, Mr. Speaker. I rise today to present a petition regarding child care centres in the province. Those who have signed the petition wish to draw our attention to the following: many of our licensed non-profit child care centres pay commercial property taxes, and this is something that is not done in Manitoba, Alberta, Ontario, BC [British Columbia], or New Brunswick.

Child care is essential to the economy, yet most centres struggle to balance their budget. This issue threatens both the number of child care spaces as well as the quality of care. Quality child care has an enormous positive impact on a child's future outcomes and yields high rates of economic return.

Child care centres are institutions of early learning and childhood development, and it is appropriate that they have the same tax treatment as schools. I'll read the prayer:

We, in the prayer that reads as follows, respectfully request that the Legislative Assembly of Saskatchewan recognize that licensed non-profit child care centres provide programs that are foundational to a healthy society by including them in the Saskatchewan education Act, and exempt all licensed non-profit child care centres in Saskatchewan from property tax through changes to the appropriate legislation.

Mr. Speaker, those signing this particular petition today reside in Regina. I do so submit.

The Speaker: — I recognize the member from Regina

Douglas Park.

Ms. Sarauer: — Thank you, Mr. Speaker. I rise in the House today to present a petition opposing Bill 40 and a potential 49 per cent Crown corporation sell-off. The Sask Party's Bill 40 creates a new definition of privatization that allows the government to wind down, dissolve, or sell up to 49 per cent of the shares of a Crown corporation without holding a referendum.

In 2015-2016 alone, Saskatchewan's Crown corporations returned \$297.2 million in dividends to pay for schools, roads, and hospitals. Those dividends should go to the people of Saskatchewan, not private investors. Our Crown corporations employ thousands of Saskatchewan people across the province, and this short-sighted legislation risks sending millions of Crown dividends to Ottawa rather than the people of Saskatchewan. I'd like to read the prayer:

We, in the prayer that reads as follows, respectfully request that the Government of Saskatchewan immediately stop the passage of Bill 40, *The Interpretation Amendment Act* and start protecting jobs and our Crown corporations instead of selling them off to pay for Sask Party mismanagement.

Mr. Speaker, there are thousands of people across the province that are rising up to stand against this bill. There are thousands of signatures that we have on petitions. For this particular petition I submit today, the signators come from Regina, Prince Albert, and Pilot Butte. I do so submit.

STATEMENTS BY MEMBERS

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

International Women's Day

Ms. Beck: — Thank you, Mr. Speaker. I'm truly honoured to stand here today on behalf of the NDP [New Democratic Party] on International Women's Day. The official United Nations theme for this year is Be Bold for Change. It is a call on all people to help forge a better world, a more gender-inclusive world. And I tell you it was great to see so many sisters outside today being bold and demanding change.

Mr. Speaker, the idea for International Women's Day arose around the turn of the 20th century out of a long-standing movement for women to participate equally in society. We've made progress, but when it comes to fairness in the working world, we all know that women — our sisters, our daughters, our mothers — they deserve so much more. Mr. Speaker, the World Economic Forum predicts that at the current rate, the gender gap won't be closed entirely until 2186. 2186, Mr. Speaker, is too long to wait.

Around the world, International Women's Day can be an important catalyst and a vehicle for driving greater change and moving closer to gender parity. Mr. Speaker, the status quo is simply unacceptable. We must be bold for change. I would ask all members in this House to join me in acknowledging International Women's Day and recognizing the essential work

that women across Saskatchewan and this world do every day, and in recognizing it is well past time for change. Thank you.

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

Ms. Campeau: — Thank you, Mr. Speaker. I am pleased to rise today to commemorate March 8th as International Women's Day. International Women's Day is observed annually to celebrate the economic, political, and social achievements of women everywhere. Mr. Speaker, today is an opportunity for us to celebrate Saskatchewan women and girls who are leaders and role models in their community.

In Saskatchewan, the theme this year is Strength and Resilience of Indigenous Women in Saskatchewan. Throughout history many indigenous women have made a difference in Saskatchewan, Canada, and around the world. They have been and continue to be leaders, artists, athletes, and other role models who have helped shape our economy, society, and culture. They are demonstrating acts of courage, innovation, and leadership in sharing their knowledge in the face of economic, environmental, social, and cultural challenges. Their voices are helping to strengthen the diversity in our province and make Saskatchewan the best place to live, work, and raise families.

Over the next few weeks, with support through our International Women's Day grant program, communities across our province are hosting events that celebrate female indigenous knowledge keepers and emerging leaders. I ask everyone to join me in celebrating the innovative women who continue to inspire other women and girls to achieve their dreams. Thank you, Mr. Speaker.

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

2017 Women's March

Ms. Sarauer: — Mr. Speaker, only one day after the presidential inauguration in January, hundreds of thousands of people congregated at the United States Capitol to participate in a revolutionary women's march. The goal of the march was to send a message to the new administration, a message that misogynistic rhetoric will not be tolerated, that women's rights are human rights, and that people of all religions, races, and creeds will stand together to ensure that the health and safety of women are not compromised.

Mr. Speaker, this march started as a small grassroots effort. It began with a single Facebook post by Hawaiian grandmother Teresa Shook, but through the determination of people around the globe, her idea quickly turned into one of the largest single-day demonstrations in US [United States] history, with at least 500,000 people marching in Washington. And that's just Washington, Mr. Speaker; it is estimated that millions of people marched in cities across the world. Here in Saskatchewan, dozens in Regina marched to the Legislative Building in a show of solidarity, and in Saskatoon hundreds more gathered around city hall to proclaim their own support. And, Mr. Speaker, there are a lot of people marching today about exactly the same thing.

Mr. Speaker, the urgency of the women's march demonstrates that equality and justice for women are still very much needed. I hope that all members will join me today in congratulating the millions of brave people who marched to fight for the rights of women around the world, in our country, and in our province. Thank you, Mr. Speaker.

The Speaker: — I recognize the member from Saskatoon Churchill-Wildwood.

Countdown to Canada 150 Event

Ms. Lambert: — Thank you, Mr. Speaker. On December 31, 2016, I had the honour of bringing greetings at the Countdown to Canada 150 New Year's Eve event in Saskatoon's Kiwanis Memorial Park. The city of Saskatoon, along with a large number of volunteers, orchestrated a wonderful evening of entertainment, skating, and snow decorating for everyone to enjoy. It was an excellent way to usher in 2017 and the anniversary of Confederation in Canada.

Our province has a rich history and heritage in the development of Canada. Since 1905 Saskatchewan people have contributed to Canada's identity. Our mosaic of communities, cultures, and people have really helped to define what it means to be a Canadian. In recognition of Canada's 150th birthday, the Government of Saskatchewan is working alongside the Provincial Capital Commission to plan events like Countdown to Canada 150.

It is important for our country as well as our province to recognize and celebrate the accomplishments and contributions that our nation has made over the past 150 years. Again I would like to extend a sincere thank you to all of the volunteers and to the city of Saskatoon for making this celebration possible. Thank you.

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

Saskatchewan Surgical Team Cares for Guatemalans

Mr. Michelson: — Well thank you. Mr. Speaker, we all have people in our communities who give so much of themselves to make it a better place in the world. Well last month a surgical team from Moose Jaw and Regina demonstrated just how much they were willing to give. Jackie Wilson, a surgical nurse from Moose Jaw, was part of that team. From February the 13th to the 17th, the team travelled to Patzun, Guatemala to work at Clinica Corpus Christi, which is a small hospital and orphanage. The 24-bed hospital run by the nuns has three fully functioning operating theatres; however, there is no surgeon on staff.

This surgical team was able to care for 35 patients in their short trip, performing mainly gall bladder removals and hernia repairs. Mr. Speaker, this is truly a remarkable group of individuals who recognize the need and that every hand helps. As the team noted in their GoFundMe webpage, we are truly blessed to have the healthcare system that we do. Mr. Speaker, there's always much more to do, but it is important to realize how fortunate we are here in Saskatchewan.

I ask all members to join me in thanking the surgical team from

Moose Jaw and Regina for their dedication and congratulating them on their successful mission's trip. Thank you.

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

Celebration of India's Republic Day

Mr. Docherty: — Thank you, Mr. Speaker. It is my pleasure to stand in this Assembly today to acknowledge India's Republic Day that was celebrated at the Regina Public Library on January 28th. I had the privilege of sharing greetings at this event on behalf of our government where we saw some of the diversity of our city and province showcased. Mr. Speaker, the entire celebration and the people who attended reminded me of our provincial motto "from many peoples, strength."

Republic Day is a significant reminder of the power of democracy, although India's journey to self-governance was not without hurdles. It today stands as the world's largest democracy. This celebration and events held in India and around the world commemorates not only India's transition to a republic, but also memorializes some of the figures that played a prominent role in leading India on the path to democracy. The strong relationship between Saskatchewan and India continues to grow through trade, investment, and culture.

Mr. Speaker, I invite all members of this Assembly to join me in acknowledging India's Republic Day, the strong ties that Saskatchewan and India share, and in thanking the India Canada culture association of Saskatchewan, their volunteers, and members for a great event. Thank you, Mr. Speaker.

The Speaker: — I recognize the member from Melville-Saltcoats.

New Potash Production Shaft in Operation

Mr. Kaeding: — Thank you. Mr. Speaker, I am proud to stand here today to share with my colleagues that on Friday, February 17th of this year, Mosaic K3 mine near Esterhazy reached potash at an astounding depth of 3,350 feet. Development started in 2009, and after many cycles of drilling, blasting, mucking, and years of hard work, they hit potash. This is the third production shaft now in operation at the Mosaic Esterhazy site, making it one of the largest in the world.

Mr. Speaker, this is an exciting moment, and I would like to acknowledge the members of Mosaic's leadership team who were on hand for this momentous event: president and CEO [chief executive officer] Joc O'Rourke, senior vice president Bruce Bodine, and executive vice president and CFO [chief financial officer] Rich Mack.

The senior leadership team acknowledged the hard-working and dedicated, skilled workers of Mosaic potash who work hard at the mine every day.

Mr. Speaker, the hard-working people of our province, along with the policies and record of our government, has made Saskatchewan the number one jurisdiction in the world for mining investment. Mr. Speaker, Mosaic's K3 mine is another example of how Saskatchewan, even in the midst of lower

global commodity prices, has seen continued strength in the mining sector.

I ask all members of this Assembly to join me in congratulating Mosaic and all those who have worked hard at K3 to achieve this milestone. Thank you.

[14:00]

The Speaker: — Members, before question period I'd like to remind all members of the rules that we have agreed upon, and these rules that were established before myself becoming Speaker. I'd like to bring the attention of both House leaders to:

20(2) Questions relating to any matter within the administrative competence of the government or on matters related to individual . . . [ministries'] responsibility may be asked of a Minister of the Crown. Questions on issues not officially connected with the government, of a private nature, related to Board of Internal Economy, caucus, party or political responsibilities are prohibited.

QUESTION PERIOD

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

Land Transactions and Changes to Members' Compensation

Ms. Sproule: — Well another day, another line of attack from the Premier. Mr. Speaker, he says we won't accept the pay cut. He's wrong. Of course we will, and our intrepid leader has been very clear about that.

But if he thinks that we'll stand by and let the Sask Party cabinet make Saskatchewan people pay for their mismanagement, scandal, and waste, we will not. If he thinks we'll stand by while he keeps covering up for his GTH [Global Transportation Hub] scandal that took Saskatchewan money and put \$11 million into the pockets of his well-connected friends, Mr. Speaker, we will not.

Every day, every day, Mr. Speaker, we push for answers on the GTH land scandal, and instead of transparency, we get lines, lines, and more spin lines. The people of Saskatchewan are tired of those lines, but are the people who sat around the cabinet table fed up yet? We'd like to know. Can the Minister of Government Relations tell us if she still stands by this scandal that ripped off Saskatchewan taxpayers?

The Speaker: — I recognize the Premier.

Hon. Mr. Wall: — Well, Mr. Speaker, the question was allowed with respect to the referencing of Board of Internal Economy, so I trust the answer will be as well.

Yesterday a meeting was scheduled expressly to deal with the interim leader of the NDP's commitment that NDP MLAs would accept the pay cut that we had announced on behalf of the elected side of government — a cut that I'll be taking, a cut that ministers will be taking. And by the way, the ministerial cut will wind up being twice what is taken by private members

because it comes off both of the allowance that ministers receive and the base pay as MLAs. In fact it's about a 49 per cent increase on the basic cut. Mr. Speaker, they didn't show up at the meeting.

And what we were hearing in this place from across the way — and the interim leader was all over this — they really weren't interested in the pay cut, notwithstanding his comments publicly, unless a list of demands had been acquiesced to by the government.

So they didn't show up for work this morning . . . or yesterday at the committee meeting, Mr. Speaker . . . or this morning I guess it was. It was this morning. They didn't show up for work. When they were caught not showing up for work, not willing to do their part, not willing to take their cut, why then the leader of the NDP, the interim leader of the NDP, came forward and said no, they are going to be a part of this. That's a good sign. We welcome his reaffirmation of his support. We think it's important to lead by example with respect to the budget challenges that the province is facing. And we're glad that after second-guessing and changing their mind, the NDP is back on board, Mr. Speaker.

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

Ms. Sproule: — Mr. Speaker, it is rich that we have a Premier of Saskatchewan talking about leading by example when we know he's pocketed almost half a million dollars in bonus payments.

Our leader has been as clear as a bell on this, and we are totally online with the pay cut. But we know, we know that there's more to it than that and that the Premier's spin and his lines on this are completely inaccurate, Mr. Speaker.

But you will note again we have more deflection from this government. We asked the question about the GTH land scandal from one of those cabinet ministers. But again they're being silenced or else they're refusing to speak, and we'd like to know which one it is. All we get is the Premier and his lines.

Now we know the Premier likes to boast about the recent land sales at the GTH, but his math is terrible. How can it ever, ever be positive that they threw away \$11 million? Never, Mr. Speaker. It's \$11 million. Or maybe the more than \$1 billion overrun for the Regina bypass that went to a conglomerate from France and beyond, Mr. Speaker.

Now we know the Minister of Central Services was around the cabinet table for those decisions. So maybe, just maybe, she might have something to say, and we'd like to hear it. What does the Minister of Central Services have to say about the GTH land scandal?

The Speaker: — I recognize the Minister of the Economy and the GTH.

Hon. Mr. Harrison: — Well, Mr. Speaker, the member opposite spent the first minute and a half of that statement talking about what happened this morning at the Board of Internal Economy, and I would like to address that. She said

that they're on board with the three and a half per cent reduction, Mr. Speaker. They had the opportunity this morning to show up and vote for a three and a half per cent reduction. What did they do, Mr. Speaker? They didn't show up for work.

Mr. Speaker, we're going to be very, very accommodating to the NDP. Maybe they didn't get the memo. I'm not sure. Maybe the dog ate their homework, Mr. Speaker. They're going to have an opportunity. I would offer to the members opposite 4 o'clock this afternoon, they can live up to their word. They can show up at the Board of Internal Economy, and they can vote for a minus 3.5.

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

Ms. Sproule: — Mr. Speaker, two cabinet ministers being silenced or refusing to speak on a scandal that has rocked this province, and then we get that from the minister. That is just unacceptable.

And I'll point out again once more, I did ask the question to the Minister of Central Services, and again, like her colleague, she's either refusing or not being allowed to speak. Again all we get are the same old lines. And again, Mr. Speaker, we have to point out that's shameful. How do all you members opposite sit over there, dutifully clapping at each non-answer while your colleagues in cabinet keep cutting our services and attacking workers?

Mr. Speaker, a three and a half per cent pay cut for them, or for me for that matter, is far different than cutting the salary of or the job of a single mom or a young couple or a senior. Mr. Speaker, is that cabinet really that much out of touch? Do they really think that taking a 20 per cent pay cut on their ministerial bonus and admitting they were wrong to add even more MLAs to this place is too much for them to pay for running deficit after deficit and driving up the debt? Really, Mr. Speaker? Do they believe that?

The Speaker: — I recognize the Minister of the Economy and the GTH.

Hon. Mr. Harrison: — That is awfully rich coming from a party that didn't even show up for work this morning, Mr. Speaker.

This crew opposite had the opportunity to come to work this morning at 8 o'clock. The meeting had been scheduled. They knew about the meeting. Mr. Speaker, you had sent out the notice of said meeting to the members opposite. They knew it was happening. They knew what the agenda was, Mr. Speaker. There were a number of items, but the most important and significant item on that agenda was the minus 3.5 per cent reduction for MLAs, of which their leader yesterday said that they were on board with that.

What happened this morning, Mr. Speaker? They boycotted the meeting. They didn't show up. They refused to take the minus 3.5 per cent reduction.

We on this side of the House, Mr. Speaker, think it's important to lead by example. That's what we propose to do. That's what

we're going to do. And I'll tell you, Mr. Speaker, one way or the other, there is going to be a 3.5 per cent reduction for members of this Assembly.

And I would note with respect to ministers, ministers are taking a 49 per cent larger reduction than MLAs. They're saying 20 per cent. Ministers are taking a 49 per cent larger reduction in addition to a 70 per cent reduction in travel over the . . . from the NDP period, and a smaller cabinet, Mr. Speaker.

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

Intent of Bill No. 40

Ms. Beck: — Mr. Speaker, they are the ones who got us into this mess. They blew through the rainy day fund and the surpluses and the good times, and they should be the ones who are made to pay the price. Cutting jobs, cutting salaries, and selling off our Crowns is not going to fix this mess; in fact it will make it worse.

Our Crowns like SaskTel provide services across the province. They lower rates across the province, and they create jobs across this province. Mr. Speaker, they drive the economy of this province and, more than that, they help people from around the province get the services that they need, from Telehealth to distance education, small businesses to remote connections. Our Crowns were built to tie us together — so why does the Sask Party want to tear this province apart? Why don't they drop Bill 40 and help in building Saskatchewan together?

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

Hon. Mr. Wyant: — Well, Mr. Speaker, as I mentioned in the House yesterday, this whole bill on the Crown . . . public Crown ownership Act is based on one word, and that word is privatization, Mr. Speaker, a word that's not defined in the legislation. And I would point out that the member from Lakeview yesterday stood in her place during debate and she started talking about how many types of definitions there are for that particular word, which really begs the question, Mr. Speaker: why didn't they put a definition in the Act to begin with, Mr. Speaker, and we wouldn't have to be doing it now, Mr. Speaker.

Mr. Speaker, the idea of moving forward with this bill is exactly aimed at that, Mr. Speaker. It's aimed at strengthening the Crown corporations in this province, Mr. Speaker. So, Mr. Speaker, we'll continue with the Act. We have no intention of withdrawing it from the House.

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

Ms. Beck: — Mr. Speaker, not for sale? Aimed at strengthening? No one is buying that. If they're not for sale, why haven't they gotten rid of Bill 40? They are fooling absolutely no one. Our Crowns exist because rural communities, rural households, rural schools weren't able to get the services that they needed — electricity, telephone, Internet. They've all been brought to rural communities because of our

Crowns. Our Crowns ensure that everyone in the province can get the services that they need.

Crown corporations and the unions that represent their workers also help to close the wage gap, something that is very important to be talking about on International Women's Day. Public corporations pay women more equally for work of equal value. But this government, they don't seem to care.

And why are they even toying with the idea of selling our Crowns and selling off our ability to ensure that students in the classrooms across this province get access to the technology that they need to learn? Mr. Speaker, will they today back off, do the right thing, and rescind Bill 40?

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

Hon. Mr. Wyant: — Mr. Speaker, there was a couple of things in the question which I'd like to answer. First of all, I'd like to point out to the member opposite that more than 50 per cent of the representatives on our Crown boards are women, and that's something we're very, very proud of.

Mr. Speaker, last year, Mr. Speaker, last year the Auto Fund invested hundreds of millions of dollars in funds outside this province, Mr. Speaker, without the ability to make those investments in our Crowns in Saskatchewan, Mr. Speaker. So those funds that get invested outside Saskatchewan, those funds that get invested outside Saskatchewan, we think it would be a good idea if there was a possibility of some of those funds being invested in Saskatchewan so that the return on equity from those investments could be returned to the people of Saskatchewan.

Mr. Speaker, this Act is about strengthening the Crowns, and it's about time that the opposition understood that and got on board to support Bill 40 because at the end of the day, this will strengthen our . . .

[Interjections]

The Speaker: — I recognize the minister.

Hon. Mr. Wyant: — Mr. Speaker, at the end of the day, this bill will strengthen our Crowns. It will strengthen the services that are going to be provided to the people of Saskatchewan and, as I've mentioned before, we have no intention of backing away from it.

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

Funding for Education

Ms. Beck: — Mr. Speaker, they say they won't sell SaskTel, but the bill before us, Bill 40, despite those objections will allow them to do just that. They also say that there have been no cuts to education, but ask any teacher, any parent, any school division anywhere in this province and they will tell you that is simply not the case. This is a government that asks school divisions to find "\$5 million in efficiencies." We know what that means, Mr. Speaker. It means cuts.

Mr. Speaker, school divisions dug deep, and they found \$15 million with cuts to teachers, staff, and resources to already under-resourced classrooms. But apparently that's still not enough for them, Mr. Speaker. They want more cuts and more layoffs. Parents and teachers are tired of the spins and the lines.

[14:15]

Will the minister admit that his government's mismanagement, scandal, and waste have led to deep cuts in education? The Premier wants to disregard the fact that they've asked 3.5 per cent reduction from teachers' salaries. And will he commit, will that minister commit to reinvesting in our kids' education and in our shared future?

The Speaker: — I recognize the Minister of Education.

Hon. Mr. Morgan: — Mr. Speaker, I thank the member opposite for the question. Mr. Speaker, we are more committed to education than any time in the province's history.

Mr. Speaker, the numbers speak for themselves. Since we have formed government the increase in the operating grant to divisions has increased by 33 per cent. In '07-08 it was \$1.41 billion. In '16-17 it had moved up to \$1.88 billion. At the same time the amount of money raised by education property tax dropped from \$714 million to \$680 million.

Mr. Speaker, in our province now under this government we've increased the number of teachers by 754. Our enrolment has gone up 10 per cent, Mr. Speaker. We are now serving 179,707 teachers and, Mr. Speaker, our teachers are doing a great job and we thank them for that.

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

Support for the Northern Teacher Education Program

Ms. Rancourt: — Mr. Speaker, we've watched the Premier and the Sask Party overshadow women in this Chamber today and every day. And we know their actions in the North are impacting women too. Yesterday the Minister of Advanced Education couldn't promise local control of NORTEP-NORPAC and along with it northern women.

Northern women are the strongest advocates for this program. They are the biggest users of the program and they have the most to gain. NORTEP and NORPAC provides northern women with opportunities to create more opportunities. This program is fundamental to the North and the minister can't commit to ensuring their autonomy. She can't get behind supporting the northern women. It's not too late for her to change her mind, to listen to northern communities, to listen to northern women, and to support the NORTEP-NORPAC program.

Can the minister commit to continuing to support this program so it can stay successful as it has been the past 40 years?

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

Hon. Ms. Eyre: — Thank you, Mr. Speaker. As I've said, this is an important decision for students, for all students. It's a decision that will be forthcoming very soon.

I appreciate the role that NORTEP has played in this process and I realize it's an emotional issue. But surely the goal, Mr. Speaker, is to provide a well-governed, administratively sound management, as well as equitable opportunities and access to post-secondary education for all northern students. Solid, high-quality teaching education, so that a student anywhere in the province can teach, work, and thrive in their community or in any community — that's the goal.

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

Support for Saskatchewan Workers

Ms. Rancourt: — Mr. Speaker, the decision to take local control away from NORTEP-NORPAC is taking power away from northern women. What is outrageous about the Sask Party's lines and the stunts that they're using to justify going after Saskatchewan people, are unacceptable.

After 10 years in government the Premier, Saskatchewan Party, cabinet ministers need to accept responsibility for their string of billion-dollar deficits. After taking hundreds of thousands of dollars in top-ups, the Premier stands on his soapbox and applauds himself for taking a pay cut; all the while he threatens and takes pay away from hard-working families.

Mr. Speaker, 43,000 Saskatchewan people are already looking for work. Saskatchewan families are working hard to make ends meet. Why does the Saskatchewan Party want to make life even harder for them?

The Speaker: — I recognize the Minister of Finance.

Hon. Mr. Doherty: — I've listened closely today to the questions from the members opposite and I can appreciate them wanting to defend members of the public service in this province, Mr. Speaker. 112,000 low-income people off the tax rolls in this province since this government came to office. How many of those are women? When they were in office, Mr. Speaker, they closed 52 hospitals and fired hundreds of nurses, Mr. Speaker. How many of those were women? They closed 176 schools under their tenure, fired 400 teachers, Mr. Speaker. How many of those were women?

They didn't raise the seniors' income plan by so much as a dime in 16 years in office, Mr. Speaker. The most vulnerable seniors in our province, how many of those were women? And then you have the audacity to walk out to rural Saskatchewan and say to them, we're going to take 60,000 farmers' contracts in GRIP [gross revenue insurance program] and just rip them up. How many of those were women?

Mr. Speaker, we will take no lessons from those members over there on how to treat women in this province, Mr. Speaker.

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

Provision of Health Care Services

Ms. Chartier: — Mr. Speaker, it's 2017. This government has been in power for 10 years. It is time for them to start taking responsibility for their mismanagement, scandal, and waste.

Mr. Speaker, there were many health care workers here today at the legislature. They are speaking out about the cuts because they just want to do their jobs. They want to be able to provide the kind of care the people of Saskatchewan deserve and expect. They are speaking out about the cuts that the Minister of Health refuses to acknowledge and the cuts he claims will have no impact on patient care. But the cuts are real. Regina ERs [emergency room] have been busting at the seams. Recently the Pasqua Hospital was at 118 per cent capacity. ER waits at the General were over four hours, and hallway medicine is this government's sad reality.

Now the government is asking health care workers to take pay cuts, to not show up for work and leave even fewer people to provide care. Wait times and over capacity will only get worse. How can the Sask Party say these cuts won't impact patient care? How can they keep forcing Saskatchewan people looking for health care to pay the price for this government's mismanagement?

The Speaker: — I recognize the Minister of Health.

Hon. Mr. Reiter: — Thank you, Mr. Speaker. Mr. Speaker, health care is a priority for this government. Mr. Speaker, the situations that the member opposite mentions, the over capacity at some of the major tertiary centres, we're very concerned about that. Steps have been taken by the health regions to mitigate that. This isn't a Saskatchewan phenomenon, Mr. Speaker. This is an issue in major centres right across the country and in fact, Mr. Speaker, it was also an issue when the members opposite were in government.

The critic mentions the fact that there were health care workers out front for the protest, Mr. Speaker, and that leads me to a situation where I guess we have a question for them. Mr. Speaker, last I think it was November, December, there was a situation in Alberta where at some sort of a rally, the chant "lock her up" was used in reference to the Alberta Premier. Mr. Speaker, the interim leader of the NDP tweeted, and I quote, saying that "That chant has no place in Canadian politics, no place at all anywhere."

I'm wondering if he'll denounce what happened outside, Mr. Speaker. There was a jail cell. There was pictures of the Premier, pictures of other colleagues of mine. There was signs saying "lock them up." I wonder if he'll do the same denunciation that he did in Alberta. Thank you, Mr. Speaker.

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

Ms. Chartier: — We certainly will, Mr. Speaker, but this government and this minister needs to take responsibility for the damage that he's doing to health care here in Saskatchewan. It is incredibly rich that it's come from a party whose Premier once stood up and promised the people of Saskatchewan there

would be no waits in ERs by March 2017 — no waits, zero, none. Well, Mr. Speaker, it's 2017 and it's March. And yes, the Sask Party did walk away from their original promise already, but they're still nowhere close to any ER target they've set. People are sitting on floors in ERs while they wait in pain and yet they're threatening to cut even more.

How is it possible that this government thinks they are going to shorten wait times by cutting front-line workers, by forcing them to take days off, and by forcing them to struggle without the supports that they need?

The Speaker: — I recognize the Minister of Health.

Hon. Mr. Reiter: — Thank you, Mr. Speaker. Mr. Speaker, the critic opposite, she certainly likes to fire up the rhetoric. Yesterday in reference to the consolidation of health regions, she said that that was going to lead to front-line health care cuts. Not the case, Mr. Speaker. It just simply isn't factual. In fact, Mr. Speaker, when the consolidation was announced, the member is on record and scrumming in the media saying that every single time that there was an amalgamation of health districts, union hospitals into larger regions, that there was massive loss of front-line health care. Mr. Speaker, those changes were under the members opposite. I don't know how she justifies that, Mr. Speaker.

We take health care very seriously. And frankly, Mr. Speaker, we'll take no lessons from them on that. The fact of the matter is, as far as front-line health care workers since we've been given the privilege of forming government, Mr. Speaker: over 3,000 more nurses, over 800 more long-term care workers. Thank you, Mr. Speaker.

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

Funding for Court System

Ms. Sarauer: — Well, Mr. Speaker, if the budget could be balanced solely on mansplaining by the Minister of Finance, we'd be in a much better fiscal situation. It's just not believable that the Sask Party cuts aren't going to have an impact. They're treating unpaid days off like they're vacations. But those consequences will have . . . Those cuts will have real life consequences. Consequences for those who will have their wages cut and consequences to those who use the services.

Mr. Speaker, forcing public service employees out of days of work means that the justice system will move even more slowly, making a difficult situation even worse. All this while the court systems are already backlogged, Mr. Speaker. Across the country, we have seen court cases tossed out because of court delays. Some of the accused have walked free without trial, again because of court delays. Mr. Speaker, there's a limited amount of time that prosecutors can take to bring an accused to trial. A legislative delay to these services is incredibly worrisome. So can the minister commit today to stop the cuts to workers in the justice system?

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

Hon. Mr. Wyant: — Thank you, Mr. Speaker. Mr. Speaker, we read with some interest some of the reports that come in from around the country with respect to court delays. Mr. Speaker, I can assure the member opposite that in my communications with the chief judge of the Provincial Court, which is the court that I'm primarily responsible for, Mr. Speaker, we don't have any delays. We don't have any cases, except for three cases that have happened recently, Mr. Speaker, which were delays that were caused by the Crown, Mr. Speaker. They're cases that are being thrown out of court, Mr. Speaker.

So I'm very, very comfortable with respect to where we are with the justice system, especially around trials, especially around time to trial, Mr. Speaker. And we'll continue to work with the Provincial Court. We'll continue to work with the other levels of court, Mr. Speaker, to ensure that the ends of justice are served in this province so the people of Saskatchewan have the best justice system in Canada.

ORDERS OF THE DAY

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

Ms. Sarauer: — Thank you, Mr. Speaker. It's my pleasure and honour to rise today to speak on Bill 40. You know, we just ended question period, and I think we gave the Minister of Justice about three opportunities to remove this bill. And I was really hoping he would, Mr. Speaker, because that would mean I wouldn't have had to do this speech.

But you know, not to worry. To the Minister of Justice: I'm sure we'll give him ample opportunity again to remove this bill from the order paper and change his mind, because I think it's probably the best thing for the province of Saskatchewan. It would have been better for me personally if he would have done it today in question period, selfishly. But unfortunately he didn't, so instead I will give him again many of the reasons why Bill 40 is not appropriate for the Government of Saskatchewan, or for the people of Saskatchewan, frankly, Mr. Speaker.

Mr. Speaker, we had hundreds, if not — dare I say — 1,000 people outside in front of the legislature at noon today, standing up against public sector wage cuts, against Bill 40 and what it means and what it will mean for the province of Saskatchewan. It was heartwarming to see. We've received many calls from people. We've received many petitions, Mr. Speaker. We've done a lot of . . . I know my colleagues as well as myself have done a lot of canvassing all around the province, Mr. Speaker, around this bill, asking constituents what they think about this

bill. Because that's our job frankly, Mr. Speaker, as legislators and as MLAs, to go to the people of Saskatchewan and ask them for feedback on the activities of this House.

[14:30]

And I have yet to find a single person, Mr. Speaker, who thinks that this is a good idea. And I'm asking . . . And I know my colleagues have had the same response. We have yet to find a single person who thinks that this is a good idea, other than of course the members opposite.

And I wonder if the members opposite have actually asked their constituents what they think about this, and asked them and actually explained to them what this bill actually means. And if they don't know what this bill actually means, hang on, stay tuned, because I will happily explain it to you. And then hopefully the members opposite can go out to their constituents and explain to them what this is going to mean for the people of Saskatchewan and what it's going to mean for decades to come, which is what we're worried about.

And that's why it's so important to speak up now, Mr. Speaker, speak up against this bill and hopefully have this bill removed. Because once this bill is enacted, there is a lot that will happen in terms of privatization of the Crowns, which we will not have any knowledge of until after it's done. We will not have the opportunity to have a say. People of Saskatchewan will not have an opportunity to have a say when 49 per cent of the Crown's shares are sold off. This is really the opportunity to stand up and speak out against it.

And we have a Premier who, you know, to his credit, will occasionally change his mind on things when he finds out, or through his networks, I suppose — polling, dare I say — finds that they are unpopular positions to take. And apparently, I don't want to, you know, get too excited, but apparently as of Monday, SaskTel is one of those where he has floated many trial balloons about selling SaskTel, and then has said on Monday that selling SaskTel is off the table. So he clearly said that . . . He's clearly done some polling and some work and found that that's probably not a go for the people of Saskatchewan. And that's what we've heard too: selling SaskTel is not on the table for people in Saskatchewan. Similar to Bill 40, I haven't found a single person who thought that that was a good idea as well.

But his words were used very, very carefully . . . [inaudible interjection] . . . Well yes, except for the Minister of Justice, Mr. Speaker. As I said before, not very many people seem to find Bill 40 is a good idea, but the Minister of Justice clearly thinks it's a good idea. Oh yes, that is something that I have already said, that the members opposite are the only ones that we've found . . . that they were a good idea. I'm keeping the Minister of Justice back up to speed here so that he's up to speed on what is going to be an enthralling, enthralling speech, Mr. Speaker.

As I've said, this bill is going to result in fundamental changes to our Crowns, like that we may never hear about until it's too late. And I'm going to start off by actually explaining what this bill does.

So the bill is called *The Interpretation Amendment Act* and it sounds like a fairly harmless, innocuous bill. It's really a wolf in sheep's clothing, Mr. Speaker. *The Interpretation Act* is an Act that I don't think many people in Saskatchewan know exist. It's something that, a bill that's typically used by lawyers, Mr. Speaker. It's typically used . . . Well it is frankly a bill that's used to provide definitions for what are usually germane terms or terms that are non-controversial so that they can be used for all legislation throughout the province instead of having to insert that definition into every single piece of legislation in the province, Mr. Speaker. So it's one that's used in a legal context quite frequently, but it's not one that's typically seen commonly in the people's mindset, I suppose, Mr. Speaker.

But that's the thing about this bill, is it seems at first glance like it's not an incredibly controversial or exciting bill. But you don't have to scratch the surface very deep to find out where the problems actually lie.

So this bill, as I've said before and has been said in this House quite often, changes or creates a definition for "privatize." And I'm just going to read that out for the record. It amends subsection 27(1) by adding the following definition in alphabetical order, and it only adds one definition, which is "privatize." And I'll read that definition:

"privatize" means, with respect to a Crown corporation, the transfer to the private sector of all or substantially all of the assets of the Crown corporation, the controlling interest of the Crown corporation or the operational control of the Crown corporation through one or more transactions that use one or more of the following methods:

- (a) a public share offering;
- (b) a sale of shares through a negotiated or competitive bid;
- (c) a sale of the assets and business of the Crown corporation as a going concern;
- (d) a management or employee buyout of the Crown corporation;
- (e) a lease or management contract;
- (f) any other method prescribed in the regulations;

but does not include a winding-up and dissolution of the Crown corporation or other restructuring of the Crown corporation . . ."

And what's really interesting here, Mr. Speaker, is it's inserting what is a highly politicized term into *The Interpretation Act*, Mr. Speaker, and to have a highly politicized term inserted into *The Interpretation Act* is actually quite a controversial and rare thing to do, Mr. Speaker. If you look actually at *The Interpretation Act*, and I'm going to look at that, the terms that are in there frankly aren't terms . . . Like I said, are terms that are quite germane. From looking at other jurisdictions, it's pretty rare to have anything in *The Interpretation Act* that could be considered politically controversial, which is what is so unique and frankly jarring with the legislation that's being

proposed by the minister.

And so just to give some of those . . . So some of those definitions that are in *The Interpretation Act*, and I'm looking at *The Interpretation Act* right now, section 27 which is where "privatize" is going to be inserted. It's definitions for things like Court of Appeal, Court of Queen's Bench, director of corporations, Executive Council, *Gazette*. These are very, very, very innocuous terms, Mr. Speaker, so to include "privatize," it's quite alarming. And it's interesting that it was included here and not inserted in the Crown corporations protections Act, which is where the crux of the reason for this definition actually lay.

So I find that an interesting point, and it's frankly part of the whole reason, or it plays to the whole theme of why this amendment was created in the first place. It's essentially — and everybody knows this, frankly, Mr. Speaker — it's the Sask Party trying to create a loophole for themselves, a backdoor way of getting around legislation that they don't like, frankly the Crown corporation protection Act, which is funny because I believe that they agreed to the legislation and I think it was a unanimous support to the legislation when it passed through this House. However it doesn't seem like it is convenient for them anymore.

But as the Premier has said, it has been made clear to them by the people of Saskatchewan that the people of Saskatchewan aren't interested in a referendum. So that's what's interesting about this, Mr. Speaker. It's the Premier that has been very, very specific with his words on Monday when he was speaking to members of the media. He said the people of Saskatchewan aren't interested in a referendum. Right, that's correct. So what the Sask Party is doing is developing a way for themselves so that they can privatize without having a referendum. Problem solved, from their perspective. But you know what? It's frustrating to me because it's so obvious that it's circumventing the whole concern that people have with respect to privatization, with respect to this bill. Changing the definition doesn't change the concerns and doesn't change the issues that are associated with it.

Like I said, there's nothing else in *The Interpretation Act* that's really like this. It's a very unique addition to this interpretation Act. And I believe my colleague from Saskatoon Nutana — who is a very, very well-versed lawyer and who did quite an extensive amount of research with respect to this legislation, and I, like the other colleagues who have spoken before me, thank her very profusely for her work and her research with respect to this bill and with respect to the definition of privatization as it applies in other jurisdictions — in reading her remarks, I note that we could not and she could not find any other Commonwealth jurisdiction that has something similar, that has this definition for privatize.

And we ask . . . And I read the comments from all of my other colleagues who have gone before me, and I know we'll have other time and we will continue to have more time to talk about this legislation. We continue to ask the Minister of Justice for this World Bank definition of privatization that he says that he's used. We've looked. We can't find it. We've asked it from him. He hasn't provided it. I'm not too sure why he won't just be transparent and provide that information to us. If he feels that

there is a real reason for this definition, if he feels . . . If there is actually a World Bank definition for privatization, we have yet to see it.

And I do encourage the Minister of Justice, whenever he has time, to provide that definition to us. I'm still waiting for it frankly, Mr. Speaker, and I'm hoping he has the opportunity to provide that to me soon. And if he doesn't, you know, I know I will be at committee with him and I will be asking his officials for that as well. But ideally he provides that to us earlier, because the purpose of us having these second reading speeches, Mr. Speaker, is to have an actual dialogue and discussion about the legislation.

And it's difficult to, or it would help us to have a further dialogue about this legislation if we actually had whatever is this definition that he's using as his, I suppose, guiding post, or what he's sort of waving in the air to say that this isn't as big of a deal as we say it is. We've looked, as I said. We can't find it. We've looked through all of the other Commonwealth jurisdictions. We have not found anything similar to this whatsoever, which is very alarming. I'm not too sure why the Minister of Justice created the wording in the way he did. It's hard for us to find any arguments for it when we can't find anything similar in other jurisdictions, Mr. Speaker, and that's the interesting thing.

And I'm looking now . . . I'm moving on to the second reading speech that the Minister of Justice gave when he tabled this bill back October 31st, I believe, 2016. And he said a few specific things that I really want to highlight. I've already highlighted them, but I think it's important to read his comments into the record, Mr. Speaker.

So with respect to this definition that I was just talking about, he said, "Mr. Deputy Speaker, the definition is based on the World Bank definition of privatization. It will clarify what transactions will be considered a privatization under *The Crown Corporations Public Ownership Act*."

So two issues there, Mr. Speaker. So if this is a definition that's specifically going to be used for *The Crown Corporations Public Ownership Act*, why didn't he insert it in there instead of *The Interpretation Act*, which would make more logical sense and make more sense from the legislative drafting point of view, Mr. Speaker? And I think I know what the reason is. I think it's a bit more controversial to amend *The Crown Corporations Public Ownership Act* without taking it back to the people of Saskatchewan which — guess what, Mr. Speaker? — they haven't done with respect to Bill 40.

The other issue, as I said, is this World Bank definition. Again, we have yet to see it. We can't find it. We asked the minister, please provide it to us so we can take a look at it, we can analyze it, and we can have a healthy debate on whether or not this is appropriate wording for legislation in Saskatchewan, Mr. Speaker.

Another interesting point he says here, and I quote, "*The Crown Corporations Public Ownership Act* will continue to govern the process to be followed in the case of a privatization." So, Mr. Speaker, as I've said already and as I say again, it's clear that the whole purpose of this definition is to deal with the word

“privatize” as it is in *The Crown Corporations Public Ownership Act*. So again I bring that up as a flag, as an issue: why was this brought up in *The Interpretation Amendment Act* instead of *The Crown Corporations Public Ownership Act*?

Another quote I want to point out is, and I quote, “For example, the terms like ‘bank’ and ‘lawyer’ are defined so that they don’t have to be defined in each legislative instrument that they are used in.”

[14:45]

So, Mr. Speaker, the Minister of Justice here is talking about *The Interpretation Act*, and he’s saying the same thing that I just said frankly, Mr. Speaker, with respect to *The Interpretation Act*. He’s saying that the point of *The Interpretation Act* is to provide definitions for what are essentially innocuous words, common words, Mr. Speaker, that are in legislation like . . . and he used “bank” and “lawyer.” Pretty germane, pretty innocuous, pretty common. And I wanted to point this out just to highlight that what I’m saying about *The Interpretation Act* is actually the exact same thing that the Minister of Justice said about *The Interpretation Act*. But it’s funny that for some reason he’s decided that this is also as innocuous of a term as he used “bank” and “lawyer” for example.

So why did the Sask Party feel the need to do this, to make this clarification? Why now? That’s the strange thing about this. They have been in power for 10 years but never seemed to feel the need to change this definition or create this definition. And I think the answer for that . . . And often we hear heckles from the other side of the House: why didn’t you do this when you were passing this legislation? Well that’s funny, because I believe there were members opposite that had every opportunity to propose an amendment should they have felt that it was an important issue to bring up at that time. They don’t seem to . . . I don’t see anywhere where they proposed an amendment to include this definition. They didn’t do that then. They didn’t do it for a decade. All of a sudden they did it now.

So I think it’s really important to take a historical tour of where we were then and where we are today, what sort of discussion happened, and why the Sask Party feel that it’s necessary to provide that definition now. You know what the real reason is? They haven’t done it for a decade. They had 10 years to do this. They didn’t see the need at the time. They seem to see the need now. I’m not too sure why. Hmm, maybe because we’re . . . Anyways, I’m getting heckled, Mr. Speaker, from members opposite. It’s throwing me off of my well thought-out script and I apologize if I get a little thrown off base. I’m also trying to come off from question period. Members opposite seem to be heckling, and I apologize if I repeat something or if I’m thrown off script a little bit because of that. So my apologies, Mr. Speaker.

Let me see where I was at again. I believe what I wanted to do was to paint a picture frankly and explain why the Sask Party seem to feel it’s necessary now to make this definition. It’s pretty clear that it seems like everybody was working okay with what the common definition was or how *The Crown Corporations Public Ownership Act* was working before. It doesn’t seem to suit the Sask Party’s needs anymore so they’re

going to create themselves this legislative loophole, frankly, Mr. Speaker.

And I think it’s important when we’re having this discussion to actually look at *The Crown Corporations Public Ownership Act*, see what it does, see its importance in terms of legislation in the province, and then go on from there. So if you’d just excuse me for one moment, I’m going to see if I still have it somewhere . . .

An Hon. Member: — A lot of material.

Ms. Sarauer: — Lots. Lots. We have a lot of material frankly, Mr. Speaker, and sometimes it’s hard to find all of your stuff, and I can’t seem to find it right now. I know it’s in here somewhere. Oh, you know what? I bet it’s right here somewhere. Here it is. Not to worry, Mr. Speaker. I found it. I’m sure members opposite would have helped me out and brought me over a copy of this legislation. They didn’t seem to be getting up too quickly so . . . But not to worry, Mr. Speaker. I found a copy of *The Crown Corporations Public Ownership Act* myself.

I want to make sure that . . . It’s important that we know exactly what this piece of legislation is supposed to do, and I think it’s important actually, frankly, Mr. Speaker, to read the whereas clauses into the record. So I’m going to do that right now:

WHEREAS Saskatchewan Crown corporations are an investment in the future of Saskatchewan to provide necessary public services, to assure the quality of life of residents and to promote economic development;

AND WHEREAS the public investment in Saskatchewan Crown corporations reflects an historic decision to maintain control of necessary public services within Saskatchewan to assure that those services are operated in the best interests of the people of Saskatchewan;

AND WHEREAS in order to respect the reasons for establishing and maintaining Crown corporations, and the public interest and rights over their disposition, an Act of the Legislature is required to assure that a decision to privatize a Crown corporation reflects the will and the rights of the people of Saskatchewan;

AND WHEREAS the public ought to be fully informed as to the terms, costs and benefits of any privatization of a Crown corporation;

AND WHEREAS the legislative process is best served by a public debate before a decision to privatize a Crown corporation is carried out.

Mr. Speaker, it’s clear that the crux of this legislation is to make sure that any discussion around privatization of any Crown is done with transparency, with the opportunity for dialogue with the Saskatchewan people. And I find that interesting, that the Sask Party seemed to find it necessary to change that definition of privatization now, so that if they sell 49 per cent of the Crown then they don’t have that dialogue with the Saskatchewan people.

That's what's going to happen, Mr. Speaker, and that's frankly ridiculous. It completely changes the intent of this legislation. It completely changes the intent of the dialogue that Saskatchewan people expect to have.

We've heard time and time again that the people of Saskatchewan do not want to see privatization, for example, SaskTel. The Premier seems to see that's the case in the wording that he's said though. He's made it very clear that he . . . or he's been very specific with his wording. He said, I believe, and I'm going to actually read it — and I know I have it in here somewhere — that the people of Saskatchewan are not on for selling SaskTel and that they're not on for a referendum, which is what *The Crown Corporations Public Ownership Act* actually mandates.

And it's important to read section 3 of that Act into the record as well. So section 3 states, "No Crown corporation shall be privatized unless that privatization is authorized by an Act enacted after the coming into force of the Act." And then the public ownership Act, Mr. Speaker, goes into the process for what would be required for that bill and the steps that would have to be taken when a bill comes to pass. Or for example, they may have to take that to the Saskatchewan people in an election before that can actually be done.

Oh, I also wanted to read into the record . . . Oh no, I have that done already, sorry. My apologies, Mr. Speaker. I just want to make sure that I do, because I think it's very important that we actually analyze the words of the Premier on Monday. I know I've spoken about it several times already this afternoon, Mr. Speaker, but I want to make sure I read into the record very clearly what he said because it's quite obvious to me, Mr. Speaker, that he's chosen his words extremely, extremely carefully. So I'm looking at a *Leader-Post* article from March the 7th, 2017 titled "SaskTel not for sale, says premier, but door still open to sell off portions of Crown corporations." And that's a clear link, Mr. Speaker, to Bill 40. So he said . . . and I want to get very, very clear here what he said. It might be actually pertinent to read the majority of this in:

After months of speculation, Premier Brad Wall announced Monday the Crown corporation is not for sale. In May, he signalled he wanted to know more about the future of SaskTel and had a risk assessment done on the company. At the time he said any move to privatize the Crown wouldn't happen without a public referendum. Now he says he has "the clearest sense from voters" that they are not interested in a sale of SaskTel.

And then he quotes:

"They're not interested in a referendum. They're not interested in a potential sale," Wall told reporters Monday. [Interesting, Mr. Speaker.] Public outcry about a potential sale was swift, with the Opposition NDP and union groups launching campaigns aimed at telling the premier there was little support for privatizing SaskTel.

"I don't know where he got the idea beforehand that somehow he could advance a sale of SaskTel. This is ludicrous and really reflects how out of touch he seems to have become with Saskatchewan people," said NDP leader

Trent Wotherspoon.

I'm quoting something, so . . .

At the tail end of 2016, Wall told the *Leader-Post* he didn't see a sale happening . . .

I don't know if I can't read a . . . if I can't say someone's name inside of a quote.

Okay. I apologize, Mr. Speaker. Members opposite seem to get all up in a flutter and I don't know why. Sometimes I don't know if it's something that I've said or if it's something that I said wrong. They're just trying to throw me off my game, Mr. Speaker. I should know by now. I've been here for almost a year, and 99.9 per cent of the time they're trying to just throw me off my game and there's actually really no substance to what they're yelling at me. So apologies, Mr. Speaker. I will continue with reading this article into the record:

At the tail end of 2016, Wall told the *Leader-Post* he didn't see a sale happening based on the public response he had seen so far.

Monday's announcement that the Crown wasn't for sale and wouldn't be sold took that notion a step further.

There is, however, the chance up to 49 per cent of SaskTel — or any other Crown corporation — could one day be sold.

A law — Bill 40 — allowing as much is working its way through the legislative process right now.

Wall said the province could find a partner to create jobs and improve mobile coverage, while still maintaining control of SaskTel. [I find that very interesting, Mr. Speaker.]

"To the extent there's a chance to build a partnership with others, we would be open to it," Wall said. "I think people were worried about losing control. If you lose . . . control of a company to another company, even if you have golden share legislation, do we lose the chance to have the head office? What about the jobs that are in rural Saskatchewan? What about the coverage issue?"

Exactly, Mr. Speaker.

But Bill 40 is actually going to open up all of these concerns to actual reality, Mr. Speaker, and that's what the problem is. It seems like the Premier has listened to the Saskatchewan people to the extent that it serves his narrative and he hasn't listened to the full message.

The people of Saskatchewan were very clear. We do not want to sell SaskTel. We value our Crowns. We want to see them remain in public hands. We want to ensure that their dividends, all of their dividends frankly, Mr. Speaker, stay with the Saskatchewan province. We want to make sure that jobs are . . . our important Saskatchewan jobs stay within Saskatchewan. We want to ensure that the Crown's number one goal is not like it is in the private sector, which is the whole point of why we

have Crowns. So it's not like it is in the private sector, which is for shareholders, which is maximizing profits. It is providing the best service to Saskatchewan people, which is the whole reason frankly, Mr. Speaker, why Crowns were created in the first place.

I'm going to take you through a longer history lesson. So we've gone to Monday, what the Premier said about SaskTel, which has been significantly different frankly, Mr. Speaker, from what was said before. And I'm going to take you on a bit of a journey here, Mr. Speaker, because it's been a fairly long journey in terms of the different types of trial balloons we've seen floated up and the different types of positions we've seen the Premier have with respect to that.

And I think it's important to know and to look at everything that's been said, and it should all be taken into context with where we are today. And it helps to paint the full picture as to why this bill has been tabled in the first place.

So in May 2010 there was an article with . . . Gordon Pitts was the name of the journalist, I believe, in *The Globe and Mail*. The Premier did a one-on-one interview with him and the journalist asked the Premier why he was resisting privatizing Crowns. And in that article the Premier said:

It's a practical lesson from the election of 2003 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 [Mr. Speaker].

So it's clear at that time that he originally in 2003 was supportive of — well he wrote it — supportive of the position that the party had at that time with respect to Crowns. He's seen that the people of Saskatchewan aren't agreeable to that position. They lost the election. He felt at that time, as he said, that that one issue is what cost them the election at that one time.

So he decided at that time, okay, well it doesn't seem like I'm going to be able to advance this ideology full bore immediately. Maybe there's a little bit more of a subtle, piecemeal way I could do it. It's kind of funny. I didn't think we'd actually get to where it's literally going to be piecemeal, Mr. Speaker. It's not funny. It's actually horrible but it's interesting, and that's why it's important to look at all of this in the whole context. It's interesting to see where we were and where we've gone in terms of the comments the Premier has said.

[15:00]

Let's jump forward a little bit. On March 15, 2016, this is a quote from the CBC [Canadian Broadcasting Corporation] with respect . . . And it was during the election. The Premier was pressed on the issue of privatization, and he 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'll make one change — that's to the liquor retailing in

the province — and we've already announced that.

So here's another one, actually. I should probably read the whole thing:

With respect to the major Crowns, we will not be changing it if we are re-elected again.

So here in this quote he specifically says he's going to make this one change with respect to the Crown corporation protection Act — I think he meant *The Crown Corporations Public Ownership Act* but I'll give him that slide — that the only change they were going to make was with respect to liquor retailing in the province. And they did make that change shortly after the election in 2016, Mr. Speaker.

But to me this is a part of the piece of the strange question as to why to this definition is in *The Interpretation Act* instead of *The Crown Corporations Public Ownership Act*. It's again another example of the Premier trying to twist reality while trying to make the argument that he's keeping his promises. Well maybe if I change definitions or if I work . . . Again like I said, it's creating a loophole for himself and for the Sask Party, Mr. Speaker.

So he's saying well, you know, I never . . . I said, I promised I wouldn't change *The Crown Corporations Public Ownership Act*, but I'm changing *The Interpretation Act* instead. But it's actually doing the same thing. You're changing *The Crown Corporations Public Ownership Act*.

So it's not being . . . It's actually not a correct statement to say that's the only change that's been made once this unfortunately, if this bill passes, is that the liquor retailing was the only one that was brought before the Saskatchewan . . . or that will have changed since the election of 2016. This actually creates a fundamental change to that Act and that was never brought, Mr. Speaker, to the people of Saskatchewan during the 2016 election.

Now after the election is when the Premier started throwing up these trial balloons with respect to SaskTel. I am looking now at a *Leader-Post* article on I believe it was May 2nd and the Premier said:

Maybe that's a discussion Saskatchewan people want to have. 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.

So again we have the Premier saying specifically:

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.

Mr. Speaker, so again he's saying that he didn't campaign on letting any private investment into SaskTel, but this bill is going to do exactly that.

It's upsetting, Mr. Speaker, because everywhere you look, you see the Premier trying to dance around promises that he's clearly made to the Saskatchewan people, trying to dance around commitments that he made during the election, and essentially falling flat in terms of maintaining his commitments and maintaining his promises, Mr. Speaker.

So another quote from the Premier, and now this one is moving a bit forward. This is June 20th, 2016, and he says:

"If there's going to be any privatization of SaskTel, the shareholders should have a say," noting such a matter could only be decided in an election campaign or a referendum.

Here's another one. August 23rd, the Premier said:

We may get an offer. If we get an offer and we think it's one that generates a significant amount of money for the province, maybe enough to eliminate our operating debt, if it takes care of the jobs question in Regina, if it provides the opportunity for better coverage, we're at least going to take it to the people.

And similarly . . . So this is when the Premier starts floating up a bit more aggressively trial balloons about, here are all the reasons why I or the Sask Party might consider a sale of SaskTel. On August 26th he further reiterated his position through a Facebook post. And I'm going to read this also into the record, Mr. Speaker:

Regarding any potential sale of SaskTel, there first has to be an offer, and one of significance — there is none currently.

Second, as I've said, only a very significant offer that would include things like protecting jobs in Saskatchewan, keeping rates low, and improving rural coverage and allowing us to do something lasting like eliminating debt should receive any further consideration.

By eliminating the debt, Saskatchewan would save roughly twice the amount in interest payments each year as what SaskTel currently averages in an annual dividend to government/shareholders.

Were SaskTel to receive such an offer we do not have a mandate to accept it . . . to sell. That is not what we campaigned on. But neither would we have the right to say no without checking with the shareholders of . . . [Saskatchewan] — the people of Saskatchewan.

That's why I have said that a province wide referendum would be the only way to deal with such an offer. The people would have to decide not the government. That is consistent with election commitments we have made.

SaskTel's future became a focus with the proposed sale of MTS to Bell, as the sale would make SaskTel the only regional telecom left in Canada.

The government commissioned a third-party report on SaskTel's competitiveness, which found "there is a risk

that SaskTel's net income will be unable to support the level of dividends that have been returned to the province in recent years."

It is simply . . .

It's a long Facebook post, Mr. Speaker. Most people who are experts in social media usually say that you should have a pretty concise Facebook post. This one's quite long, so I apologize.

It is simply difficult for a small regional telecom to keep up with the necessary infrastructure investments and pressures from large carriers in a highly competitive market.

SaskTel is a well-run company, a good employer and part of our history as a province. For now, there is no offer and nothing would take place without your say.

And that was the Premier writing a Facebook post again, Mr. Speaker, to the Saskatchewan people.

So it's very clear both in the, frankly in the Premier's Facebook post that I just read, as well you can tell by the hundreds of people who are protesting outside the legislature today and the thousands of signatures we received on a petition, that Crowns are very important, Mr. Speaker. They create thousands of jobs in the province, thousands of good-paying jobs, of appropriate-paying jobs, Mr. Speaker.

They provide important dividends to our province. And I actually raised this number in question period but I want to reiterate again that, in 2015-2016 alone, Crown corporations returned \$297 million in dividends, Mr. Speaker.

Crowns also provide very important essential services to our province. As an example, because I'm already using it, SaskTel provides phone and Internet coverage throughout the province, throughout a province that is geographically quite large but very sparsely populated. Although it's not perfect, and it should definitely be improved, especially in the North — and in actually some of the southern rural regions, Mr. Speaker, the coverage isn't ideal or great right now, Mr. Speaker — but it sure is better than coverage we would receive from any private corporation whose sole goal is to maximize profits. And a private corporation unfortunately won't see a good profit-based argument for expanding any type of telecom services in the North, for example, Mr. Speaker.

So that's why these Crowns were created in the first place. It's very important for us when we're having this discussion about Bill 40 to remember why our Crowns were created in the first place and to realize that the reason for their existence hasn't disappeared. And we still absolutely need those services present here today.

The problem with this bill . . . Well there's many, many problems with this bill, Mr. Speaker. One of the main ones, like I've said, is the concern what this will do in terms of the legal structure of our Crowns, Mr. Speaker. Right now the people of Saskatchewan are considered the shareholders of the Crowns. But we don't actually have a share. I don't have a share in my pocket, even though I'm a shareholder of SaskTel. You, Mr.

Deputy Speaker, don't have a share in your pocket, but you're a shareholder of all of these Crowns, Mr. Speaker. We receive our profits, so to speak, from our Crowns in terms of dividends that go straight to the government.

So if we're going to create a situation where 49 per cent of the Crowns can be sold, we're going to have to create a new legal structure for these Crowns. And there hasn't been any discussion from the minister about what this is going to look like, what this is going to entail, how much this is going to cost, what are the consequences of it. And there are consequences actually, Mr. Speaker, when you're creating a share structure and when you're selling shares or dealing with shares and shareholders that are different than what we're used to in terms of our Crown corporations.

And I've been speaking with a lot of people, like we said, about this bill. We've been speaking to constituents throughout Saskatchewan about this bill. But I've also been speaking to two lawyers, Mr. Speaker, about this bill and getting some feedback on what their thoughts are. I practised business law for like eight months seven years ago, so I'm not a business law expert. I was practising family law for about six years before I was elected, so I would not ever say I am an expert in corporate law or business law, Mr. Deputy Speaker. But I do have friends who I think are, and I have spoken with them about this. And the problem is, is we haven't had any clarity from the minister as to whether or not *The Business Corporations Act* will come into play on these new legal structures of the Crown corporations. And I don't see a reason, unless some sort of exemption is built in, but I have yet to see some sort of reason for why that would occur.

I'm not too sure if an . . . If we're going to run down the theoretical aspect of this, if an exemption is built in, I'm not too sure who would be willing to buy, for example, 10 per cent of shares in a Crown if they don't have the rights and remedies and protections that are given to them by *The Business Corporations Act*.

Typically what can happen when you're selling shares is shareholders' agreements are created and signed, and those usually afford actually a greater protection in addition to the protection that's already provided them in *The Business Corporations Act*, Mr. Deputy Speaker. So when we're talking about concerns with respect to some rights that minority shareholders may have in these new types of Crown shareholder situations where . . . When we're talking about *The Business Corporations Act*, we're talking about the baseline for what protections likely would be for minority shareholders because, as I said, typically shareholder agreements are negotiated in a way so that minority shareholders have a larger or have more security in addition to what *The Business Corporations Act* provided.

And some friends that I've spoken to who are much more expert in this area pointed me to the oppression remedy that is afforded to minority shareholders through *The Business Corporations Act* and some concerns that he had that there's the potential that a minority shareholder could use the oppression remedy to start an application in the court against their fellow majority shareholders — which would be us, the people of Saskatchewan — theoretically again. Still, we're all talking

theoretically.

But these are serious, serious implications that we'd have with respect to legislation. And when we're talking about legislative drafting and creating new legislation, it's important to think about all of these aspects to make sure that there isn't any unintended consequences of legislation, Mr. Deputy Speaker. So in no way is it fearmongering; it's actually having a discussion about what the consequences are potentially going to be with respect to this bill.

So the oppression remedy, like I said, gives the minority shareholders certain powers in certain situations. One situation that was particularly provided to me — and I'm going to read the whole section into the record, Mr. Speaker — is if the minority shareholder can prove that the majority shareholders are acting in a way that's oppressive to the minority shareholder. An example could be if they are acting in a way where they're going to harm the financial . . . I can't think of the word, but the actual value of their shares, that's going to significantly impact the value of their shares or impact the value of their shares. I shouldn't say significant because I don't know if that's true. If they're going to impact the value of their shares, that they can launch an oppression remedy which could potentially result in the winding up of a corporation.

[15:15]

So as an example, if we're going to talk about SaskTel again, if a minority shareholder could potentially argue that . . . For example, say in the future, if say Bill 40 is passed and 49 per cent of the whole legal structure is changed, 49 per cent of the shares is sold to whoever. It actually doesn't matter who in this instance. It's not the people of Saskatchewan. And SaskTel decides that they want to start an initiative. They want to seriously invest in expanding telecom services in the North because the people of Saskatchewan see the value and the need to expand telecom services in the North.

So the people of Saskatchewan as the majority shareholder are dealing with or living up to what their bottom line is, and what our bottom line always has been, with respect to the Crowns, is getting value while ensuring that we're providing services to the people of Saskatchewan.

But the minority shareholder, for example, might see that as not the most financially beneficial decision for the corporation. Because as you know, typically in the private sector the minority shareholder's bottom line is not going to be the same as the majority shareholders' — so the people of Saskatchewan's — bottom line will be. Their whole reason for having the shares and their whole goal will be to maximize profits, which is understandable. All the power to them. However, that's why Crowns were created in the first place.

So there is a legitimate concern that this could result in an application to the court and a use of the oppression remedy. And I'm going to read the whole section into the record because it's very important, Mr. Speaker. And this is *The Business Corporations Act* section 234(1):

A complainant may apply to a court for an order under this section.

(2) If, upon an application under subsection (1), the court is satisfied that in respect of a corporation or any of its affiliates:

- (a) any act or omission of the corporation or any of its affiliates affects a result;
- (b) the business or affairs of the corporation or any of its affiliates are or have been carried on or conducted in a manner; or
- (c) the powers of the directors of the corporation or any of its affiliates are or have been exercised in a manner;

that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any security holder, creditor, director or officer, the court may make an order to rectify the matters complained of.

(3) In connection with an application under this section, the court may make any interim or final order it thinks fit including, without limiting the generality of the foregoing:

- (a) an order restraining the conduct complained of;
- (b) an order appointing a receiver or receiver-manager;
- (c) an order to regulate a corporation's affairs by amending the articles or bylaws or creating or amending a unanimous shareholder agreement;
- (d) an order directing an issue or exchange of securities;
- (e) an order appointing directors in place of or in addition to all or any of the directors in office;
- (f) an order directing a corporation, subject to subsection (6), or any other person, to purchase securities of a security holder;
- (g) an order directing a corporation, subject to subsection (6), or any other person, to pay to a security holder any part of the moneys paid by him for securities;
- (h) an order varying or setting aside a transaction or contract to which a corporation is a party and compensating the corporation or any other party to the transaction or contract;
- (i) an order requiring a corporation, within a time specified by the court, to produce to the court or an interested person financial statements in the form required by section 149 or an accounting in such other form as the court may determine;
- (j) an order compensating an aggrieved person;
- (k) an order directing rectification of the registers or other records of a corporation under section 236;
- (l) an order liquidating and dissolving the corporation;
- (m) an order directing an investigation under Division

XVII to be made;

(n) an order requiring the trial of any issue.

Mr. Speaker, as you can see, there's quite a large power that the court has. And it's quite a wide power that the court has that, if it's found that an oppression remedy is appropriate, that a judge could order against a corporation.

I also want to read, because it's a bit of a companion section, Mr. Speaker . . . Any shareholder can bring this particular section in an application forward, and I'm going to read that in now. This is again *The Business Corporations Act*:

207(1) A court may order the liquidation and dissolution of a corporation or any of its affiliated corporations . . . [under] the application of a shareholder:

And the important one here I believe is . . . I'm just going to read them all, just to be safe:

(a) if the court is satisfied that in respect of a corporation or any of its affiliates:

- (i) any act or omission of the corporation or any of its affiliates effects a result;
- (ii) the business or affairs of the corporation or any of its affiliates are or have been carried on or conducted in a manner; or
- (iii) the powers of the directors of the corporation or any of its affiliates are or have been exercised in a manner;

that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any security holder, creditor, director or officer; or

(b) if the court is satisfied that:

- (i) a unanimous shareholder agreement entitles a complaining shareholder to demand dissolution of the corporation after the occurrence of a specified event and that event has occurred; or
- (ii) it is just and equitable that the corporation should be liquidated and dissolved.

Now, Mr. Speaker, I know that this isn't the most exciting legislation in the world, but it's very, very important that when we're making these important legislative decisions as legislative drafters, which is what we are, that we're doing so with eyes wide open and that we understand all of the potential legal consequences of the decisions we make in this House because it will impact a lot of people and it will impact this province for a very, very long time to come.

There's one more. If that wasn't alarming enough, Mr. Deputy Speaker, there's even one more provision in *The Business Corporations Act* that provides for another remedy that's important that we make sure we talk about, and that's the right of a dissenting shareholder. So on certain transactions, a

minority shareholder can dissent and then have their shares appraised and purchased. So I'm going to read that whole section into the record too, Mr. Speaker, because it's just as important.

And when we're talking and when the Premier says that this bill won't change the control of our Crowns or the direction of our Crowns, it's actually not quite the case because there are quite a lot of remedies available to minority shareholders, as there should be, Mr. Speaker, as we see in the human . . . The whole reason why we have human rights legislation, as an analogy, is that democracy is very important, but sometimes the will of the majority can affect the will of the minority in a negative way. And we make sure that there is mechanisms in place for the will of the minority if they're being, example, if their rights are being infringed on from the human rights perspective, or if they're being oppressed in the business perspective. It's the same thing; it makes sense.

However, when we're talking about our Crown corporations and having a discussion about ownership structure, we need to make sure that we understand what the real implications are. It's alarming to me we have a lot of members opposite who say that they are business owners. I'm not too sure why they haven't flagged this as concerns if they're well versed in business structure, Mr. Speaker. I'm going to read section 184 into the record of *The Business Corporations Act*.

184(1) Subject to sections 185 and 234, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under clause 186.1(4)(d) that affects the holder or if the corporation resolves to:

- (a) amend its articles under section 167 or 168 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;
- (b) amend its articles pursuant to section 167 to add, change or remove any restriction on:
 - (i) the business or businesses that the corporation may carry on; or
 - (ii) the powers that the corporation may exercise;
- (c) amalgamate with another corporation, otherwise than under section 178;
- (d) be continued under the laws of another jurisdiction under section 182; or
- (e) sell, lease or exchange all or substantially all its property under subsection (2) of section 183.

And then there is a longer section, Mr. Speaker, that I won't go into completely because I'm cognizant of the time, but it is something that we need to be aware of as a potential hazard when we're dealing with this.

So these provide mechanisms and these, like I said before and I'll say again, it's the baseline mechanisms for minority shareholders so that minority rights . . . And then there's the

potential that this could result in minority rights standing in the way of major changes, or changes like I said, as an example, SaskTel. If SaskTel felt the need to, as they should frankly, expand service in the North or expand service in rural Saskatchewan and minority shareholders don't see that as economically beneficial to SaskTel, there are mechanisms in place where they could potentially gain control over the direction of SaskTel or any one of our Crowns, Mr. Speaker. And as I said before, this is the baseline for what could be provided to minority shareholders.

So I've pointed to a few different things already. I've pointed to the importance that our Crown provides. We will lose, we will lose dividends as shareholders change, as we lose shares. As the current shareholders of Saskatchewan, we will lose this dividend money because it will be flowing out to other organizations or private companies or out-of-province companies. Frankly, Mr. Speaker, we will lose them.

And it's strange to think that this is the appropriate time to lose those dividends, at a time when things are a little bit more tighter in terms of natural resource revenues. This is by all means the wrong time to be taking away our dividends and losing money that we are getting from our Crowns by giving it to other shareholders once those shareholders are created and these shares are sold, Mr. Speaker. There's the concern, as I said, about the rights of minority shareholders and how that could play into all of this. There's still a lot of questions with respect to that.

There's concerns about the simple fact that the Sask Party hasn't taken this to the people of Saskatchewan. They did not run on this. They were very clear, and I've already quoted the Premier directly, that they would not make any changes to *The Crown Corporations Public Ownership Act* other than with respect to the liquor retail stores. But they are, and they haven't taken this to the people of Saskatchewan, Mr. Speaker.

And there's one more that I want to make sure that I get on the record. And I know other members on my side have talked about this. I know other members on my side will still talk about this. It's this strange thing that I don't understand why we haven't really gotten a clear answer on it. It seems like they didn't even realize that this was an issue. But this definition will actually be completely different than the Canadian revenue agency's definition of privatization or privatize through the *Income Tax Act*, Mr. Speaker.

The CRA's [Canada Revenue Agency] definition of privatize states that if a Crown corporation has 10 per cent, at least 10 per cent of it sold to a private corporation . . . So if 10 per cent, at least 10 per cent of a Crown is privatized, that Crown is no longer considered a Crown. And I'm sure there was a much less convoluted way to explain that. And I know there was more simpler and direct ways of explaining that in the past by other colleagues, but I'm reaching the end of my time and I'm frankly starting to run out of steam, to be honest. But basically, I think I've explained it. But if 10 per cent of a Crown is privatized, it will no longer fall under the definition of Crown corporation under the *Income Tax Act*; therefore they will no longer have the exemption that's provided to it under the *Income Tax Act*.

Right now our Crown corporations are exempt from federal

income tax. Once 10 per cent, at least 10 per cent . . . If 10 per cent of our Crown corporations are sold or privatized, those Crowns are going to be subject to federal income tax. We're going to be sending millions of dollars to Ottawa. And I thought we had a Premier who was fighting against sending millions of dollars to Ottawa. I'm not too sure why he's not standing up to his Minister of Justice or to himself saying, we are not sending more money to Ottawa. That's exactly what this is going to do. We need to be alarmed about this.

[15:30]

I'm not too sure how this is going to . . . This is going to cost the people of Saskatchewan more money than it's going to save, Mr. Speaker. And we've talked about this several times with the minister. We've had this concern come to us by lawyers who practice tax law, because again I would never consider myself an expert in tax law nor in business law, but we have had experts in that field approach us and tell us that this is something that's very concerning. And we have yet to hear the Minister of Justice explain to us his logic for why he thinks we need to be sending millions of dollars more in tax to Ottawa.

Mr. Speaker, I know that there's going to be a lot more conversation about this. Hopefully I'll have the opportunity to add even more conversation about this. As I've said before and I'll say it again, we had hundreds of people protesting against this bill outside the legislature today. We've heard from thousands of people throughout the province in terms of signing our petition. We, as a party, have been canvassing throughout the entire province with respect to this bill, still looking for someone who thinks that this is a good idea, other than the MLAs on the other side. I don't want them to feel left out.

We were canvassing quite aggressively for the seat in Saskatoon Meewasin, and I know our member from Saskatoon Meewasin can attest to this even more profoundly. We couldn't really find anyone who thought that this was a good idea. We looked hard. Man, we scoured, we scoured every house. We looked under bushes. We looked in . . . You know, we were looking in cars, you know, I don't know, pubs and churches and everywhere. Couldn't find . . .

We'll keep scouring, you know. We'll keep trying to find somebody to stand up for this bill, other than the MLAs on the other side. We need to help them out a little bit. I'm worried about them. We have a lot of people on our side standing up in the public against this bill. And we want to make sure that, you know, if there is someone on that side, we'll try and find it for them.

But it's clear that the people of Saskatchewan are speaking out against this. We're going to continue to fight against this bill. It's the wrong move for the province of Saskatchewan and it's alarming and it's worrisome because as we know, once this bill passes, some very, very significant problematic changes will happen to our Crowns, without a referendum, without any discussion given to the people of Saskatchewan, without the people of Saskatchewan having an opportunity to have a say anymore. And that's why we'll continue fighting this. And that's why we'll continue talking about this.

I do, before I adjourn debate, I do want to read in one quote

from a good . . . a member of this House. I never had the opportunity to meet him, but it was former Premier Allan Blakeney, in his book. I think other members have had the opportunity to meet him, but I didn't unfortunately . . . Quoted, and it's his book, the history of the Crown corporations:

. . . when deciding whether Saskatchewan needs more Crown corporations or fewer, one should ask for whose benefit the Crown corporations were organized; who they benefit now and in the future; and who would benefit if they were dismantled; and [ask] . . . the situation case by case.

And with that, Mr. Speaker, I'd like to adjourn debate on Bill 40.

The Deputy Speaker: — The member from Regina Douglas Park has moved to adjourn debate on Bill No. 40, *The Interpretation Amendment Act, 2016*. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Deputy Speaker: — Carried.

Bill No. 43

[The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Duncan that **Bill No. 43** — *The Pipelines Amendment Act, 2016* 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 as always it's my honour to be able to rise in the Assembly here to address legislative enactments by this government, and this bill is no exception at all. As you know, Mr. Speaker, pipelines have been in the Act for, or in the news quite a bit recently, and it's certainly a topic that is of interest to people across Canada and North America. And certainly this Act is all part of that larger picture of how we move our products, oil and gas products, to the market.

This particular bill makes a number of technical changes to the existing Act which was drafted in 1998. Of course the Act has been amended over the years. It was amended in 2000. It was amended in 2003. It was amended in 2005, 2009, 2010, 2014. So it's not the first time the Act has been before the Assembly and had some changes made to it, but it certainly won't be the last time either.

I guess the main feature in this particular bill, as we know and as the minister announced, is the inclusion now of flow lines within the licensing requirements. So there's now . . . That's the big change, I think, that this bill promises is a statutory change to require licensing of flow lines. We know there are many, many thousand flow lines in Saskatchewan. Certainly the number has exponentially boomed since the introduction of fracking in the Bakken area in the early 2000s, Mr. Deputy Speaker. And so with the explosion of flow lines, it's natural of course that we would also need to ensure that they're being properly monitored, properly regulated, enforced, and indeed

licensed. So I think we have to go back a little bit to understand where this bill came from, and I'm just going to talk a little bit about the auditor's report in 2012. This is found chapter 5 in the auditor's 2012 report volume 1, and it's called . . . The headline of the chapter is regulating pipelines.

So the auditor went through carefully in terms of how pipelines are being regulated here in Saskatchewan to date. And she identified six recommendations that the government should look at in 2012. This was brought in in 2012, and then she has actually revisited this chapter in 2014 and gave us an update.

Also in 2016, just the recent Public Accounts, 2016 report volume 2, she indicated at that time that five of the recommendations that she made in her chapters and by the committee on Public Accounts . . . is that there are five recommendations that are not yet implemented.

So I want to talk about those five. There's actually seven of them, but I want to talk a little bit about those recommendations and whether or not in my view this bill actually addresses those recommendations. I think there's some progress definitely, but there are some shortcomings that I don't think have been adequately captured in the changes to the bill. And perhaps I will start maybe with that portion of my discussion, Mr. Deputy Speaker.

So the first recommendation . . . Some of these recommendations from the auditor are not related to legislation so I'll just touch on those briefly. One of the recommendations is that the Ministry of Energy and Resources actually "Develop written policies and procedures to guide [their] staff when assessing pipeline design, monitoring pipeline construction, and evaluating pipeline operations." Two years later we find out from the auditor that this has been partially implemented but there's still work to be done.

We don't know for sure whether this has been done yet or not, but certainly we will be reviewing this chapter again in committee in the future, so we'll have an opportunity to discuss that issue with the minister and his staff to determine whether or not these recommendations are in fact fully implemented.

The auditor pointed out in 2014 that the ministry in 2013 "developed and implemented a set of written policies and procedures to aid staff when reviewing a pipeline construction application and a 'leave to open' application . . ." And she found that the ministry also had incorporated significant application requirements under NEB [National Energy Board] requirements. So that she was okay with.

But "the Ministry [she went on to say] has not established policies and procedures to guide staff on evaluating the completed self-assessments or . . . [conducting] any other monitoring of ongoing pipeline operations."

So we have still a gap here in terms of the ministry's review and oversight of the development of pipelines, and I'm sure we'll find out more in committee about where the progress of that would be at. But as of 2014 that's the latest information that we have. We know that that is not fully implemented at this point in time.

The second recommendation that she made in 2012 was in relation to . . . Here's the recommendation: We recommend that the Ministry of Energy and Resources consider seeking responsibility in law to verify that pipeline operators clean up contaminated sites to an acceptable condition.

And as of 2014 it was not implemented. Now there are some changes in the Act in terms of inspection and certainly fines and things like that, but I think we really want to drill down in committee to understand whether or not those changes in the Act — and I'll talk about them in a bit, Mr. Deputy Speaker — whether or not those meet the requirements to the extent that the auditor was seeking and recommending. So we'll be looking for a much more fulsome discussion on that particular area because this is one where the auditor recommended changes in law. And I believe the minister has indicated in his press release that all of the recommendations are now being implemented, so I guess that'll be part of the discussion in terms of whether or not those recommendations are fully implemented or not.

And I'm just looking at some reports that came in after the bill was introduced, and there was a quote from the minister himself that said: "These objectives allow us to complete the recommendations made in the 2012 Provincial Auditor's Report. It will also address . . . public concerns . . ."

It's not clear to me how those sections actually meet those requirements, so again I think that's a discussion that we'll be looking for with the minister and his officials in committee to make sure that indeed the law is sufficient to verify that pipeline operators clean up contaminated sites to an acceptable condition. So I'll talk about those changes in a minute, Mr. Speaker.

The next one was actually implemented, and this is one where there was recommendation that the ministry "consistently document its assessment of pipeline license applications for compliance with the law prior to issuing pipeline licenses."

So of course this is for pipelines and not flow lines, and that there was insufficient documentation to determine whether or not the approval or the application was proper or not. So one of the comments the auditor made in her report was that none of the files that they reviewed indicated any evidence of on-site inspection. And you know, Mr. Speaker, much of pipeline inspection is done technically through machines that run through the lines. I think they call them PIGs [pipeline inspection gauge]. And there's other ways of determining the healthiness of the pipeline itself, the strength of the pipe, and whether there's any weaknesses in it. So there's a lot of technical ways to do that.

But certainly, as we know in the case of the Husky spill on the river, in the North Saskatchewan River, visual inspections would have determined that there was shifting occurring in the soil on the riverbank. And I think, based on what we've seen from the Husky report, that certainly those visible signs were there. So whether or not that pipeline was inspected, we're still hoping to find that out through some freedom of information requests we made as well.

So we have a lot of questions. We have a lot of questions about how inspections are taking place. And I think as the official

opposition, it's our duty to shine light on those questions because when we see things happen like the Husky spill, there are many questions that the public now are alerted to and saying, what is going on? How is this being inspected?

Unfortunately we weren't able to receive pipeline inspection reports on other pipelines from the ministry. And you know, we're still waiting for the final report and hoping to see it soon — I understand, hopefully, during this spring session. So if we have an opportunity . . . It's been a long wait, Mr. Speaker, and we're certainly hoping that those reports come through and we can see what decisions this government has made in relation to that particular spill.

But going back to the auditor's recommendations, there was some other ones . . . I've just got to go back here. There was a couple others that were actually fully implemented in 2014. The other one was the recommendation that they assess the resources they require to fulfill their responsibilities under *The Pipelines Act*. We were told in 2014, in relation to that one . . . I have to find it. The ministry told the auditor that they had identified a number of potential resourcing issues in relation to its regulatory responsibilities for pipelines. So what they did is they hired one full-time pipeline engineer in January 2013 to fulfill some of its regulatory responsibilities, and some additional equipment was actually purchased as well — a laptop and a truck.

Again I guess our question for the ministry is: is one person sufficient? We know we have now added licensing for 80 000 kilometres of flow lines. So will there be additional resources? And that's a question we are going to have for the ministry, as well as, what sort of additional resources will they have to not only deal with the new flow lines that are being added — and I think it's a risk-based assessment system that will be applied — but also how will we look back? How will we look back at all those previously unlicensed flow lines? And I know there are provisions in the Act dealing with that through regulation, but again we have lots of questions about, when will those regulations be passed? How soon will we see these pipelines brought into the regulatory framework? So a lot of questions in relation to that as well, Mr. Speaker.

[15:45]

Another one that wasn't recommended at all as of 2014 was a recommendation that the ministry monitor pipeline operator compliance with integrity management and safety processes for existing pipelines. I just want to find the 2014 . . . Oh yes, here it is. At that point, that was part of the other recommendation in terms of written policies and procedures. And in 2014 we know that that wasn't the case, that they hadn't completed all the work, and that the ministry had advised they expect to amend the pipeline Act to include more substantive provisions regarding pipeline integrity and safety of ongoing pipeline operations.

Again I'll take a quick look today at some of the provisions that are in the new bill in relation to inspections and compliance. A lot of it is I think the out-front side of what the inspectors are required to do, but I'm not sure if it meets the strict requirement that the auditor had recommended for ensuring and monitoring pipeline operator compliance with all the safety procedures and

integrity management. And this is for existing pipelines. And it's not clear to me whether, as flow lines are brought in, will they be caught by the existing pipelines provisions and will those inspections then apply? So again a number of questions I think that are technical in nature that we'll certainly want to ask at the time that the bill is reviewed in the committee, in the committee stages.

So just speaking to the bill itself and talking about a few of the changes that are being added in terms of the definition section and the interpretation section in the Act, usually found in no. 2, section 2 of most Acts, there are a few new definitions being added. "Approved" is being added as a definition; it means it's approved by the minister, so for what that's worth.

We're also adding something called a directive. And I think this is something the public needs to pay more attention to, is a trend within these types of ministries to use directives rather than regulations to direct proper behaviour, I guess, or to direct expectations for pipeline companies. And there's a good explanation of that in the explanatory notes that were provided with this bill. And again I wish these explanatory notes were available online, but . . . Or maybe they are. I just can't find them.

But the description of a directive is found on page 12 of the explanatory notes, and it's talking about the repeal of . . . or a new section in the bill, section 21, I believe. Yes, and 21 is the actual directives clause. And I just want to share with the public on the record the explanation for that particular clause, and what it says is:

This section is added to allow for the establishment of technical directives related to the construction, operation and abandonment of pipelines. Energy regulators in western Canada, including Saskatchewan, are increasingly relying on directives rather than regulations to establish rules and guidelines for the oil and gas industry. Directives are written in a technical rather than legal language and are more readily used by oil and gas operators for the purpose of the design, construction and operation of wells, facilities and pipelines. Pipeline directives will be approved by the Lieutenant Governor in Council.

So we know that there will be some sort of regulatory review, at least by Executive Council. It won't be reviewed in this Chamber which, as you know, Mr. Deputy Speaker, is something as a legislator that concerns me. I know the pull on the bureaucratic side where they're always saying, it's too hard to get these things through and, you know, we're the ones that are monitoring these things and everything's good. And I understand that pull from the regulatory side and certainly legislation is no piece of . . . It's not an easy thing to do, to get it through all the layers of government and through cabinet and then onto the floor of this Assembly.

But I worry about directives like S-10 and S-15 which are currently in place for the conservation of gases that are being vented or flared into the environment. And we know that the carbon dioxide emissions from those emissions are significantly high and have exploded basically since the Bakken oil play has been developed. So there's a lot of concern in the public. And certainly, Mr. Speaker, I was down in Oxbow in January

speaking to people who are concerned about those particular issues. I know they've spoken to their MLA, who kindly referred them to me, but they are concerned about some of the flaring and venting that has been occurring in their area.

Also SO₂ [sulphur dioxide], which is deadly as you know. Sulphur . . . I can't even say the word. SO₂, so it's hydroxide, sulphur hydroxide, which is very, very poisonous. Sour gas is the common name to it, and I've talked to people who are scared to even go . . . have their grandchildren over to their house because the one gentleman was actually knocked out in his yard in December and can't even find the location of where this gas is coming from. So it's quite alarming for people that have residences in the area.

And certainly S-10 is supposed to reduce the amount of associated gases that are being vented and flared into the atmosphere, but I think we have many questions for the ministry in terms of how that's being done, what progress is being made, whether or not the cap of 900 000 litres is a sufficient cap, what's happening in Alberta in respect to that. So those are some of the things.

When you see these directives being imposed like S-10 and S-15, it's difficult to track the progress. And we're doing what we can through written questions and through freedom of information requests and through talking to people on the ground. But this is a highly industrial area, it's a highly technical area, and it is also a highly emitting area when you talk about methane and butane. And the amount of natural gas that is actually being vented into the atmosphere is quite concerning.

And I think if we could use that natural gas for commercial purposes and find a way to capture it rather than just venting it into the atmosphere, that would go a long way to reducing our carbon dioxide emissions here in the province. I know that's a known concern, and obviously that's why S-10 was brought in. But whether or not the limits are correct or whether the program is having any success, because it's commercially difficult to make money off of these associated gases despite the fact they do have commercial value . . . But obviously transporting it, pumping it, all those things are difficult to realize if you don't have the capital investment to do so. So we're looking for leadership in that area for sure. And we'll have a lot of questions about how S-10 is currently . . . whether it's working or not, basically, and what's being brought in.

We know the minister issued some orders recently. I think Deputy Minister Laurie Pushor recently signed an order restricting venting and flaring on certain land descriptions. But it's really difficult to understand exactly what well sites we're talking about when there's so many thousands of wells down there and so much activity which is, as we know, generating a lot of the economy that we see in this province today. So again it's always the balance.

Other changes to the bill . . . I kind of went off on a little rant on directives, but other changes: there's a new definition of "document." And in this case you can see modernization of the legislation because they're just basically including electronic forms of documentation within the definition of "document." And that shows up a few times in this bill, some of the

cleaning up.

The definition of "pipeline" is being changed. And in this case they're adding a fifth material. The pipeline definition has four things that can currently be carried within pipelines, and it looks like the government wants to have a fifth category. And in this case, it's any other prescribed substance. So it's just allowing for an expansion of what is actually transported through pipelines. The only regulation is that it . . . stipulation is that it has to be prescribed by a regulation. So we don't know what those substances will be, and we won't know until we see regulations once again.

So again it's a bit of the chicken before the egg or vice versa. I'm not sure which one. Cart before the horse might be a better choice of metaphor, Mr. Deputy Speaker. But it is an issue where we don't know what's going to be prescribed, so it's hard to comment with any certainty on whether this is an appropriate change being made by the ministry at this point in time.

Section 3(2), I'm going to that change now. Just some, they're striking . . . I guess I won't get into detail on a lot of these because these are just sort of technical amendments that come out of the changes that are being made. They're not really substantive.

Section 5 is now being repealed, and there's a new section 5 being introduced. And this is where we're talking about flow lines, Mr. Deputy Speaker. So in here we have a stipulation that at a certain prescribed date — and again prescribed meaning when the ministry decides to bring this into regulations — all the exempt pipelines must be subject to a licence. So to this date, the 70,000-odd flow lines that are actually in operation in Saskatchewan are not licensed. They will be described now as previously exempt pipelines. I assume this means that any new pipelines will have to be licensed, so that's a go-forward thing, but at some point the government intends to bring all of the existing pipelines into this legislation. Obviously it's a massive undertaking and will require government resources to do so.

So we will see. Well we'll be waiting with bated breath for the regulations to find out how the government proposes to bring all these flow lines into a licensing scheme, which is something that we are supportive of, Mr. Speaker, is to get those flow lines licensed. So again we're holding on till the regulations come in to find out how. We know that it will happen, but we're not sure how or when.

A number of other changes that are being made, obviously section 4 is repealed because this is what exempted flow lines to begin with, so that's being taken out. Section 6 is also repealed and that was about licences for exempt pipelines, so that isn't needed anymore. Section 7 is being amended somewhat in terms of the requirements for application. Section 8, there's some technical changes. Apparently the drafters don't like the word "where" anymore, and they want to use the word "if." So instead of where an applicant has made an application, it's now if an applicant has made an application. So sometimes those semantical changes are important, and obviously the drafter has taken opportunity to make those changes where they can.

We see the reference to the directives being inserted now in

several places in the Act, and one of the examples is changes to clause 8(2) where we see applicable directives being used and in the public interest. So this is expanding when the minister may actually issue a licence, but bringing those directives into the bill in this place makes sense because if the directives are in place, and if the applicants aren't following directives, I sure don't want them to get a licence. So that is important as well. So if the directives are driving the behaviour of the applicants, then we need to obviously incorporate the minister's taking that into account when he approves the licence itself.

There's a new section in section 10 about transferring licences. If I understand correctly, that is to follow the provisions under *The Oil and Gas Conservation Act*. So I think they're trying to bring some parallels between *The Pipelines Act* and *The Oil and Gas Conservation Act*. And in fact when I saw this, I thought well maybe, why are there two separate Acts? Like these Acts are intricately . . . [inaudible interjection] . . . intricately — thank you my colleague — intricately intertwined. That's hard to say. Two "i" words. Anyways they are intertwined. Pipelines obviously are part of oil and gas production, and oil and gas production is obviously the reason for pipelines to exist.

So I know there's a lot of interplay between the two. And in fact I think in committee in 2013, there was a discussion with a former deputy minister that I'd like to talk about a little bit because I think there's still some confusion about who was responsible for pipeline spills. And I'm not sure that this bill addresses the concerns of the auditor in that respect as well.

So they're talking about transferring of licence. They're using transfer requirements found in *The Oil and Gas Conservation Act*. So the explanatory notes indicate that these changes ensure consistent treatment for all oil and gas operations. So I think it's bringing that consistency in despite the fact that we have two different bills that regulate the — I've just got to watch the clock here, Mr. Speaker — that regulate the interplay between these two areas of oil and gas and pipelines.

[16:00]

Now section 11, again reference to the directives, so that's been changed a little bit. Section 12, there's some minor changes again adding "if" instead of "where" or the reference to the directive wherever there's a reference to regulations. So that's being corrected. Section 12 is . . . Sorry, section 13 is being changed.

And this is interesting as well because when you're constructing a pipeline, if need be, you can actually expropriate people's lands. If you can't reach an agreement for surface access on a pipeline, pipeline operators can actually apply for a licence to expropriate.

It's a very powerful tool that is reluctantly used. I think in most circumstances you would always hope that the surface landowner and the pipeline could come to an amicable agreement for accessing their land for that purpose, but I think it was recognized in law a long time ago that pipelines need proper access and they can't be zigging and zagging all over the place to get from point A to point B. And it would give obviously surface rights holders considerable power if they were able to say no and deny access.

So pipelines, obviously it makes sense for them to have expropriation power. Flow lines is another story, Mr. Speaker. And I think it's for that specific reason that this particular Act, even though we're including flow lines in the licensing, we are not allowing flow lines to be able to expropriate, or flow line operators. So they will have to find ways, and I think usually within the licence for the well itself there would be . . . Built into the lease itself, there would be provisions for flow lines to be built in as part of the well site. So perhaps the power of expropriation tangentially applies to pipelines through their well licence. But certainly I think the idea of this bill is for pipelines to have expropriation rights, that they would need to apply to the government to get those rights, and that that wouldn't be available for flow lines at this point in time.

That change is also seen in section 15, which is also the expropriation section, makes it very clear that pipelines are the only thing that can expropriate and not flow lines. So flow lines are exempt from that.

A few changes to the service addresses again bringing in modern delivery. One thing I find interesting, and I would be curious to know from the officials why, if you're sending an electronic document, the service is deemed to be received the next day. And I just don't know why you would choose the next day when we know there's pretty much immediate delivery. But that's a picayune observation, so just found that rather interesting why we would choose the next day. I guess we want to be sure.

Section 24.1 and section 24.2 are new sections, and these are the ones I talked about earlier, Mr. Deputy Speaker, when we talk about beefing up the ministry's inspection and audit abilities. If you look at the explanatory notes, they explain them here. Section 24, I just have to find it. It says "Section 24.1 will establish a statutory official called an 'inspector' . . ." So there will be a new position called the inspector, pipeline inspector ". . . whose duties will focus on ensuring that licence holders are in compliance with the Act." The inspection powers include a number of things, including whether they're in compliance. They have the power to conduct an audit on the operating practices of the licence holder, and they also have the power to determine the cause of an incident. And I think in the case of the Husky pipeline, we'll see with the report that's coming out soon whether or not that may indeed happen.

Section 24.2 also appears in *The Oil and Gas Conservation Act*, and that section, that's a new section that's being included. It's an immunity section which really says you can't sue the Crown. We see that also in the new water security bill. So it's interesting the different language that's used to say the same thing. And I think immunity clauses, generally you can find a million of them out there, but I'm not sure why drafters would use different immunity clauses, and perhaps could clean that up a little bit. But anyways there's an immunity clause now that's similar to the one in *The Oil and Gas Conservation Act*, and it just provides Crown officials with statutory immunity. So I think that's understandable as long as, you know, they're acting in good faith.

24.3 is now holding the licence holder responsible for addressing environmental or public safety issues that may arise after a pipeline is abandoned. And so I think this is a really,

really, really important clause, and I think it's important that it's here because — and I'll read it for you, Mr. Speaker — it reads:

24.3 The abandonment of a pipeline does not relieve the licence holder from the responsibility for further abandonment or other work with respect to the pipeline that the minister determines to be necessary to protect the public health or safety or the environment.

And as you know, Mr. Deputy Speaker, there are thousands of abandoned pipelines in the system right now. And abandoned doesn't mean what we would think, you know, when you think of abandoning someone. It just means it's not producing oil, and they're not doing anything with it. And that's my layperson's, non-technical explanation of it. But really it's still within the purview of that particular company. They have a lease that's operating. They pay surface licence fees. All of those things are there, but they're just not doing anything with it.

And they can actually . . . A lot of companies can use these abandoned pipelines as writeoffs for tax purposes. So one of the things that we've seen Alberta do is actually require shutdown of some of these abandoned pipelines, that they can't just let them sit there on their books anymore, and that they actually have to take action. If it hasn't produced or the pipeline hasn't been used — in this case pipelines — for 20, 30, 40 years, which exists in Saskatchewan, then perhaps they should be dismantled or reclaimed or decommissioned. I think decommissioned is probably the most appropriate term. But there should be something happening to these pipelines because they are going to become more and more of a liability. And as long as the law allows oil companies to simply abandon them, then of course the companies are going to do that because it's financially advantageous for them to do so. But I think this section shows a signal at least that there's a will to ensure that the responsibilities for abandonment continue and that it happen sooner than later.

Section 25 is being amended as well: “. . . align with changes to section 3 related to exempting pipelines or classes of pipelines from the application of the Act.”

It's a little hard, Mr. Deputy Speaker, to focus on the comments I need to make because of an ongoing discussion between the Premier and some of my colleagues, which I'd like to hear, but I'm trying to talk and speak to the bill. So I will continue to try and follow along my own thought chain here despite the chatter.

Okay, so again there's changes to 25(1)(b). I'm going to go back to my regular Act here and find out what's going on in 25(1)(b).

I hate missing a good discussion, Mr. Deputy Speaker . . . [inaudible interjection] . . . It wasn't that good? No, okay.

An Hon. Member: — Oh, it was good. Oh, don't listen to him.

Ms. Sproule: — Oh, my colleague thinks it was quite helpful.

But anyways, section 25(1)(b). Where are we? Here we are. Oh yes. This is the regulation section, and there are a number of changes being made to the regulation section to facilitate the

goals of this bill. So section (b) of section 25(1) is being amended to include pipeline or class of pipelines now instead of any person, any pipeline, or any portion of a pipeline. It's just a minor change.

There's a new regulatory ability being added here in terms of financial assurance. Yes, and that's “. . . to prepare regulations related to the provision of financial assurances for those pipelines that may pose a major risk to the environment or public safety.” This is a good clause. This is a good change, Mr. Deputy Speaker, because if we get financial bonds that are in place when we know that a particular pipeline may be dangerous, then at least we'll be assured that the cleanup will be in place.

So if you think about the Husky oil spill, we know Husky has been a good corporate citizen and paid the money that it has been asked to pay. But if there was an event where a company was insolvent and wasn't able to pay for damages, at least we know those financial assurances could be in place. So these are regulations that are going to be developed, and I think will be helpful to ensure that when disasters do happen that the companies that are responsible have the appropriate resources to look after it. So I think that's a helpful change.

There's a new clause 25(h.1). It's being added to allow for regulations to be prepared related to the preparation of emergency response plans. Again I think this is a lesson from the Husky experience. And we can see that every company should have an emergency response plan, and if there are going to be regulations relating to that, it will provide the direction that companies need to be able to do their advanced planning for emergency preparedness. So those are something we'll look forward to see once those regulations are passed.

Section 21 is a new clause . . . I'm going to go back to that. I think I'll skip ahead here. Sections 27, 28, 29, I'm going to move on to that, Mr. Speaker. Oh again . . . I'm sorry. 21 is the new clause for directives. And if I look at the bill, it just says, “Subject to the approval of the Lieutenant Governor in Council, the minister may approve directives . . .” in relation to a number of matters.

So I talked about that quite a bit earlier, but again this is a direction that I think is interesting in terms of industries like oil and gas. And the explanation that's provided is that it provides technical language rather than legal jargon, so that companies understand what's expected of them in terms of complying with departmental requirements.

Then we go on to some of the clauses in terms of offences. The old offence clauses are being repealed completely. We have new offence clauses being substituted. These are more detailed obviously, and as the minister indicated in his comments, the fines are being increased. Currently they're \$50,000. Today we've added a zero. They're now \$500,000 a day — or up to, of course — for any time that the offences continue.

So I guess we'll see what the fines will be for something like Husky. I'm not even sure if this Act applies to Husky because of some other exemptions but . . . or yes, because that's a spill. Anyways there is some questions I have around the application of this to spills, pipeline spills, because there are regulations in

respect to pipeline spills.

And I guess the other interesting new addition to this bill is something called the administrative penalty, which takes this out of the hands of the courts and puts it in the hands of the minister. There is concern about that, I think, when you think about the fact that the minister is also in a business relationship with these companies and now is being asked to administer the penalties to these companies. And I think it's very difficult for any government entity to be able to be the regulator and the business development manager at the same time. It's difficult to build the walls within the ministry, I think, to be able to do that effectively, and certainly I think courts and a third party would be maybe more appropriate.

I'm not sure why the minister has decided that it's his ministry that can assess the penalties. And those are certainly questions that we will have at the time when committee is convened, because that's something I think that would be concerning to the public if they knew that the minister was now the judge and the jury and the businessman relating to the development of this particular . . . well, the administration of this pipelines Act. Although thankfully, and I have to point this out, that there is an appeal to the Court of Queen's Bench for an administrative penalty.

But I guess my question is whether or not there will be enough penalties assessed. I was told in the vernacular that some employees have left the ministry because they wanted to enforce and were let go. So that's not something I've confirmed, Mr. Speaker, but it's certainly questions we will have again for the minister and the staff when we get into committee. Because I think that's a very serious allegation, and certainly we need to get the record clear on that.

So I think at this point in time, Mr. Speaker, I'm going to just wrap up with a few comments. We know that this is in people's minds. We know we're waiting for the Husky report. We are anticipating that a number of laws have been broken in terms of that spill, and so what are the penalties going to be? We know that the auditor's report is still . . .

Oh yes, there was one other area I did want to touch on briefly if my colleagues are okay with that, and that's back in committee in 2013. And I know my colleague from Saskatoon Centre talked about this the other day as well. But there was a discussion in committee where the former Deputy Chair — I have to find it — indicated that in his view this was all covered by law and that it was just a bit of ambiguity. And the auditor didn't agree and still doesn't agree. And that's in relation to remediation under . . . when spills are to be cleaned up to an acceptable level.

[16:15]

And I haven't been able to sort this through myself, Mr. Speaker, because we have *The Oil and Gas Conservation Act* and *The Pipelines Act*. The deputy minister of the day, on December 9th, 2013 said, “. . . that all remediation [should] be done in accordance with *The Oil and Gas Conservation Regulations*.” But it's not clear whether the pipelines are caught by those regulations. And so he said:

. . . from our perspective, the remediation requirements are covered under that Act . . . rather than *The Pipelines Act*. But we do take the point that there may be some ambiguity because it's not referenced specifically under *The Pipelines Act*.

And that is a problem. And I'm not sure that this bill actually deals with that issue. I think the ambiguity may still be there. And again this is something we need to have a more fulsome discussion with in committee.

And Mr. Campbell, of the day, the deputy minister indicated that, he said, the point he was making, “. . . it should be more explicit under *The Pipelines Act* in itself, just to make sure that there's no ambiguity.”

I think it's more than ambiguity. It may be a regulatory gap. And I think that's something that I want to hear an explanation from the minister and his staff and his officials in terms of where that is dealt with, because I don't see that ambiguity being dealt with in this new bill.

And again Mr. Campbell suggested that there would be more regulations under the oil and gas . . . he said it's under *The Oil and Gas Conservation Act* is where they're enforcing clean up of contaminated sites for pipelines. But I'm not sure that that's exactly the way it works.

So we're looking for the Husky report. We're looking for some good explanations from the officials and the minister in terms of how this bill addresses all the points in the auditor's report relating to the laws. We're looking for, obviously, a rigorous pipeline inspection regime here in Saskatchewan. We see the Husky spill. We see the SO₂ incidents that are happening. We also see . . . And that's not just from pipelines but obviously from well sites.

And also the Ocean Man spill, which creates a whole host of regulatory issues. And in fact I'm not sure whether it's even clear at law whether the ministry has any right to enter the reserve to check those pipelines. I think the response was excellent. I think the cleanup was excellent and everybody made sure that the environment was protected. But there are definite gaps in terms of regulation when it comes to enforcement of provincial laws on First Nation reserve lands, and so I think that has never been addressed.

And we know that in the Ocean Man situation, those are very, very old lines. There are very old leases. I've seen leases going back to the '60s when I was doing work with the Ministry of Indian Affairs back in my day, to add some lands to reserve that had these old, old pipelines on them. And I do think there's a whole host of questions that if things do go wrong, it could get really messy. As I said, the ministry and the officials from the company responded as quickly as they could, and the cleanup was appropriate as far as I know, what I'm told.

But I think there's a wide-open door there, Mr. Deputy Speaker, of where you could basically drive a truck through the gaps in the law when it comes to *The Oil and Gas Conservation Act*, *The Pipelines Act*, in its application to lands that are governed by the federal law under the *Indian Act*.

So that's a whole discussion for perhaps a separate day, but I think when we're having these discussions about pipelines, we need to ensure that there's, well, the proper co-operation — not just in goodwill, but also in law — to ensure that Saskatchewan people are protected, and that includes the people living on our First Nations reserves.

So I think I've gone on at length, Mr. Deputy Speaker, in terms of my views on this bill, and so at this point I would like to move that we adjourn debate on Bill No. 43, *An Act to amend The Pipelines Act, 1998*.

The Deputy Speaker: — The member from Saskatoon Nutana has moved to adjourn debate on Bill No. 43, *The Pipelines Amendment Act, 2016*. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Deputy Speaker: — Carried.

Bill No. 44

[The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Moe that **Bill No. 44 — *The Water Security Agency Amendment Act, 2016*** be now read a second time.]

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

Ms. Beck: — Mr. Deputy Speaker, it is my pleasure today to stand in place and enter into debate on Bill No. 44, *The Water Security Agency Amendment Act*. Mr. Deputy Speaker, this of course is a very important Act and one that has very complex roots and refers to something that is fundamental to all people on the planet, but is particularly of importance to people in this province, and that is water, Mr. Speaker.

My understanding is that this bill is an attempt to address some very long-standing, very significant issues in the province with regard to water, and specifically with regard to the issue of drainage on agricultural land, Mr. Speaker.

And I want to preface this by saying that I understand that this is a very complex issue. This is something that has huge importance to producers in this province, has huge impacts downstream to those . . . to our wetlands, to wildlife habitats, downstream effects to our lake systems and those very complex ecosystems, Mr. Speaker. So I want to preface my remarks by saying that I do understand there are some very significant and very strongly held views on this issue, and people have a lot at stake with regard to drainage in the province. So as I said, I wanted to preface my remarks by saying that.

My understanding is Bill 44, the objective as stated by the minister is to streamline the process for resolving drainage disputes between landowners. And of course anyone who has spent time in rural Saskatchewan, anyone who has followed what's gone on at the SARM [Saskatchewan Association of Rural Municipalities] conventions over the years, anyone who has neighbours in rural Saskatchewan understands that the issue of drainage across agricultural land can be a source of very,

very high tension for people.

I know, speaking with RM [rural municipality] councillors that I know, that this is something that they receive the most calls about and the stakes are very high. The emotions are high. We're talking about high stakes, monetarily high stakes, high-stakes relationships between neighbours on farms who often have found it very difficult to come to an agreement with regards to drainage projects.

And certainly this is something that the government has struggled with for a long time, how to address the issue of drainage. I'm looking at articles going back to 2012 when the former Watershed Authority became the Water Security Agency. And back at that time, there were plans to crack down on illegal drainage activities, said the then minister about the new Water Security Agency.

So this is something that has certainly roots before 2012, but that the government has put some effort in trying to resolve. And I think the fact that it's five years later that we're standing with this legislation in front of us is a testament to just how complex these issues are, Mr. Speaker.

So I'm just going to rely rather heavily on the remarks of the minister in the second reading and also the remarks of my colleagues in their response to this bill because I do think that it is something that I don't feel like I've had a sufficient amount of time to really delve into. But I know that there have been extensive consultations prior to this bill with a number of varied interests with regard to this bill, and I'd like to look a little more into what all of the issues were that were raised there. But with that I'll move into some of my more formal remarks.

This bill gives the Water Security Agency the authority to order the closure or alteration of any drainage works constructed before 1981. And I think that's something I want to spend a little bit of time on talking about, Mr. Deputy Speaker.

This of course is a huge undertaking to look at:

. . . pre-1981 drainage works without compensation to the owner of the drainage works or of the land on which the drainage works are situated for any losses or expenses sustained as a result of the alteration or closure.

Mr. Speaker, this is going to be a very difficult process to move through, I'm sure, and I'm very interested to hear more details about how exactly this is going to work. Certainly someone . . . 1981 is probably longer ago than I care to admit, and you can imagine a lot of situations where the land has changed hands since then. These are long . . . You know, pre-1981 doesn't just mean 1980. This can go back many, many years in the province and drainage works prior, you know, decades ago potentially. So I think it's very interesting to see how . . . It will be interesting to see how that is navigated, and it will take a lot of goodwill and probably a lot of hard work to deal with that. So I think that's interesting.

Something that my colleague, the member for Nutana, mentioned was the immunity clause that was in the prior bill, the pipeline bill, but also is in this bill which provides immunity to the Government of Saskatchewan, Executive Council, and

any former employee of the Government of Saskatchewan. I think that that bears some of our attention and our interest with regard to this when we're talking about the closure of drainage projects going back that far and then taking away or providing immunity, and really talking away the ability of those impacted to take action against the government. I think that's something that we'll want to pay particular attention to, Mr. Deputy Speaker.

The water security amendment Act that is before us really does look at restructuring the complaints process for illegal drainage, Mr. Speaker. And I know that, as I said in my opening remarks, this is something that goes back a number of years. But one of the significant recent developments here was the report of the Ombudsman of Saskatchewan that came out in March of 2016. And in her report she had a number of recommendations for the minister with regard to handling of disputes. And I think some of the things that she found was that the dispute mechanism was not clear enough. It wasn't being handled in a timely manner, and that it needed . . . Actually there were several pages of recommendations that were made.

Just in a brief overview looking at her recommendations and looking at the bill, I don't think that it directly addresses the recommendations, but I think perhaps approaches it in another way. So I'd be interested to see the opinions of those impacted by the spill in terms of their thoughts about this new complaint process, Mr. Speaker.

Essentially, my understanding, what this proposes to do is remove a two-step process that was formerly in place where if you were looking to undertake a drainage project and there was a dispute with your neighbour, you would be asked to first try to resolve that dispute with your neighbour. Which as I mentioned, I understand that, you know, in some cases perhaps you've had good relations with your neighbours for many, many years. It can happen that these drainage disputes disrupted relationships that lasted for many years and were very, very difficult and caused some very heated disputes between neighbours, Mr. Deputy Speaker. So in order to get to the formal complaint process, previously you would have to first have that conversation with your neighbour. And this bill would seek to replace that process.

Just going to move to the explanation page here, Mr. Speaker. Moving away from that complaint-based process, this new process doesn't include a formal complaint or formal decision. Instead it focuses on compliance with the approval process. So my understanding is, Mr. Speaker, that the Water Security Agency would move in and would make a decision based on, was there prior approval for the drainage project that was being undertaken or wasn't there.

[16:30]

And there are some assurances that that process would take, at a maximum, 90 days, which certainly would be a reduction, Mr. Speaker. And there have been some pilot projects, I understand, testing this dispute mechanism, and some of them have been really focused in the southeast portion of the province.

Of course, Mr. Deputy Speaker, there have been some very high-profile national news stories about the extent of flooding

down in that southeast corner. And a lot of that, some of that has been caused by increased rain activity, increased runoff activity, but also it's been exacerbated by a problem of illegal drainage. And it's funny, when I was doing some research looking into this bill, I googled illegal drainage in Saskatchewan and the first five stories came up from Manitoba. So certainly they've been paying attention to this issue, Mr. Deputy Speaker, and that is my understanding, part of what is to be addressed here.

But as I mentioned, this is an extremely complex and long-standing issue. There are the concerns of the agricultural producers. They have high stakes in terms of the amount of energy, the amount of inputs that they're putting into their crops, and needed return on those investments. And sometimes, obviously, water on their fields impacts that. But also the needs of, the requirements of habitat for wetlands. That's something that is important in this discussion as well, Mr. Speaker. And I don't say it as an either/or. I say it as, you know, how do you come up with solutions that take into account the very real and very pressing concerns of all of the players here, Mr. Speaker? It is a very complex issue.

Certainly we continue to lose wetlands in this province at a very, very high rate. It has impacts, of course, for habitat, for wildlife, for waterfowl, but it also has some other significant impacts. I'm just going to move to some more technology here, Mr. Speaker, and look up . . . Of course there was a campaign by Ducks Unlimited, one of the stakeholders that was noted in the minister's remarks on second reading, talking about some of the costs of wetland drainage. Downstream flooding, as we've talked about, flooding both within the province and going into Manitoba resulting in flooded agricultural lands, of course. If someone drains onto someone else's land it can continue downstream unless we have an effective mechanism to deal with, in a fair way and a transparent way, what is allowed for drainage and what isn't allowed, Mr. Speaker.

It removes of course, as I noted, essential habitats for many species of wildlife in Saskatchewan, including many endangered species. And this really needs . . . That's a voice that, an interest that often doesn't make its way to the table, Mr. Speaker, and I think that we really, we need to put some highlight on that as well.

As I said, it's not an either/or. It's a matter of looking at all the interests here and making sure that we have a balance, that we are being good stewards of the land, being good stewards of our economy. And I think it's an issue like this that really underscores the complexity of bringing all of those interests to the table and trying to find good legislation that serves us well today but that will also serve us well into the future.

Another point that is very timely, Mr. Speaker, is the draining of wetlands releases CO₂ into the atmosphere, and that's something that's incredibly significant at this point in time, resulting in the loss of thousand of years worth of carbon storage, Mr. Speaker.

So as I said, these are very high-stakes discussions. This is a very important piece of legislation that I think really should take into account a number of interests, a number of long-standing interests, and something that really, to this point,

has been difficult to deal with in a timely manner and in a way that takes into account the interests of all those who are at the table, Mr. Speaker. So it's a fairly complex piece of legislation, this bill that's before us.

I'm just going to walk through some of the background here. Going back to 2012, as I said, when the Saskatchewan Watershed Authority became the Water Security Agency, there was an acknowledgement there was a need to get more aggressive on illegal drainage, Mr. Deputy Speaker. And there was also a 25-year water security plan that was put forward at that time regarding sustainable water supply, drinking water safety, water protection, dam safety, flood and drought damage reduction, and governance, Mr. Speaker.

So I want to say that that type of a 25-year plan really does lend itself well to an issue like water. It's a complex issue but really there isn't anything more fundamental to life on this planet, frankly, to put it that way, than water. And it's important today, and I think that's one of the important roles here that we all play. I mean regardless of where we're at, to make sure that we've got water for today, that we've got water for the future in this province.

So this is maybe not the type of legislation that makes its way to the headlines, but it is something that it's important to get right. And it's important that the government, on their side, undertakes the consultation and listens to people and listens to all interests on this. And it's important on our side that we make sure that we play the role of oversight, that we provide scrutiny and provide a bit of a spotlight, and make sure that the questions are being asked, that all of the stakeholders have been listened to, and that their concerns have been taken into due consideration, Mr. Deputy Speaker.

I know that back in 2012, the member for Wood River held a different role. And he noted something that I said earlier, that RMs are often involved when neighbours complain about each other's unauthorized drainage works. I'm sure he's been privy to some discussions that can be very heated amongst neighbours. And it really is important to get this right.

And of course I mentioned earlier, you know, neighbours, but also our neighbours, our provincial neighbours to the east of us. It's important to get it right there, that we play our part to ensure that that drainage is working in a way that makes all of us good neighbours.

And we have to ensure good waterfowl habitat, as someone is whispering in my ear here. It's very important, that habitat. And of course, as I mentioned, those downstream effects and the nutrient runoff into water systems, the adequacy of our water supply — all of those things are of the utmost importance, Mr. Speaker. And again not necessarily the thing that gets attention all the time in the headlines, but really if we get this wrong, it's one of the worst things to get wrong and that is the sustainability of our water supply in this province.

A few other comments that I wanted to note, one of the themes that we've seen with this government is the risk-based programs. So that applied in this case would mean that lower risk drainage projects would have less scrutiny, less regulation. Of course those that are bigger and higher stakes would have

more scrutiny. So that's something to pay attention to. I know that's something that's sort of been rolled out in a number of areas, and I think we should be checking in to make sure that that is working as it is intended to.

It also looks at . . . As I mentioned before, there were a series of pilot projects — one based near Stoughton and one near Canora — a provincial strategy where producers, watershed authorities, and the representatives in those areas now committing to working with the Water Security Agency to help bring existing drainage projects into compliance.

And that's something I'd be really interested to hear more of, Mr. Speaker. You've got a number of stakeholders there working to bring an existing project into compliance with the regulations. And probably it's something we're going to have to address more and more in this province: how do you remediate some of those projects, some of the damage that has already been done in a way that is effective, that is achievable, and that takes into account a number of sometimes competing interests. And I think that really is a problem that we're going to have to learn how to tackle better in the province. So as I've said repeatedly, it's really important that we get this right and that we give it the type of scrutiny that it really does deserve.

I guess one of the other really significant aspects of this bill is the increase in the penalty. And the existing penalty has a maximum fine of \$1,000 a day. With this bill, if passed, that bumps it up to an amount not exceeding \$1 million per day, which of course is a huge jump, Mr. Deputy Speaker, and I think something that a number of people across a number of sectors have really called for, that increased penalty which does provide some teeth to the penalties and certainly would provide a fairly significant deterrent to . . . or it would encourage, more strongly, people into compliance.

I guess another question that I have then with regard to compliance would be enforcement. Do we have enough enforcement personnel to enforce that type of fine? You know, security of those people that are enforcing that type of very significant fine. I think those are questions that I will look forward to in committee, and perhaps my colleagues or perhaps members opposite will have some answers to some of those concerns.

I'm just going to look back to the minister's comments on March 6th with regard to this bill. He certainly had a lot to say at that point about this bill. As I said, it's very complex, and there will be a lot of people in the province who are watching this very closely and making sure that we get this right.

I spoke earlier of the Ombudsman's report and recommendation that we have assertion by the minister that all of the recommendations were effectively addressed with the creation of the agricultural water management strategy even prior to the Ombudsman's report. So that's something I'd really like to delve into, and perhaps my colleagues will in committee with regard to this report.

And again I mentioned the assertion that this new complaint process or compliance process that the Water Security Agency estimates that it can deal with a request for assistance within 90 days or less, which certainly if that is the case, if that's

achievable, would be an improvement. So I would look forward to more information about how that's going to work out.

Another thing that I mentioned, and the minister made reference to it in his comments on March the 6th, was the online consultation that took place from October 2013 to April 2014. So certainly a rather lengthy consultation period, and the fact that it attracted nearly 500 participants who discussed various options for managing drainage in the province, again a significant and complex issue with a lot of interest. Five hundred participants really is quite a high level of engagement.

[16:45]

And then the minister noted that in 2015, the ministry met with 15 agricultural and environmental and municipal groups, groups as varied as the Western Barley Growers Association, the Oat Development Commission, Western Canadian Wheat Growers, canola, the Saskatchewan Farm Stewardship Association, the cattlemen's association, the stock growers, SARM, the Saskatchewan Association of Watersheds, Ducks Unlimited, the Saskatchewan Environmental Society, and the Saskatchewan Conservation and Development Association, as well as the Wildlife Federation, and SUMA [Saskatchewan Urban Municipalities Association] as well. So this is a fairly varied list.

They had a lot of conversation. so it's a lot to distill down into one piece of legislation. And I'm sure that there were some points of agreement within that, but I would suggest probably also some fairly differing opinions on certain things as well. So I'd be interested in those conversations and transcripts of those conversations about the balance that we see here in this bill that's before us.

What the minister said on March 6 was that there was some "... broad agreement that drainage provides many benefits to agricultural producers but, if the negative impacts, the drainage cannot be mitigated, drainage activities should not be allowed ...". So some acknowledgement that this is important to producers, but it's important to get it right.

Some more agreement on the requirement for more stringent oversight. So again I had some questions about the oversight piece. Certainly we have seen more in terms of the fine, which has jumped significantly up to \$1 million a day. So that should get some attention I would think.

There was some agreement around, as I said, the support for increased compliance and enforcement and the closure of drainage works in cases where a project has not received prior approval. And that's going to be a very interesting process, Mr. Deputy Speaker, and a very difficult process. So I would be interested to hear impact on that, or input on that and to see exactly how that's going to be achieved. It will be ... As I said, some of these drainage works will be going back not to just to 1981, but significantly before that. And that will be a very big challenge.

The reports are ... the minister noted some mixed support for the requiring of maintenance of some wetlands. Certainly for some of the reasons that I mentioned earlier, the need for the protection and the benefits of wetlands is something that I

would like to draw some attention to. And the minister also noted that some producers feel that they should receive some sort of compensation to retain such wetlands. So that's an interesting discussion too, Mr. Speaker, that I don't think is fully addressed here, either in the legislation nor is it addressed in the minister's remarks. So that's perhaps something that some of my colleagues might have further questions about or may have questions about in committee.

I suppose I do have more questions. I will be watching this debate very closely and with interest, but I think I have come to the end of my comments. And despite the encouragement of my colleagues here, I think I'm going to move to adjourn debate on Bill No. 44.

The Deputy Speaker: — The member from Regina Lakeview has moved to adjourn debate on Bill No. 44, *The Water Security Agency Amendment Act, 2016*. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

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

Hon. Mr. Merriman: — Thank you, Mr. Deputy Speaker. I move that this House do now adjourn.

The Deputy Speaker: — The Government House Leader has moved that this House does now adjourn. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Deputy Speaker: — Carried. This House stands adjourned until tomorrow at 10 a.m.

[The Assembly adjourned at 16:50.]

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