

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN  
April 21, 1995

The Assembly met at 10 a.m.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Mr. D'Autremont:** — Thank you, Mr. Speaker. The petitions that I bring forward today come from Mont Nebo, Shellbrook, Windthorst, Kipling, Grenfell, Prince Albert, Maple Creek, Swift Current, and Piapot areas of the province. And the prayer reads, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to support Bill 31, An Act to amend the Saskatchewan Human Rights Code (Property Rights), which will benefit all property owners in Saskatchewan, and specifically firearms owners, in order to halt the federal Liberal government from infringing upon the rights of Saskatchewan people.

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

I so present, Mr. Speaker.

**Mr. Goohsen:** — Thank you, Mr. Speaker. I'm happy today to present petitions, and I'll read the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to allocate adequate funding dedicated towards the double-laning of Highway No. 1; and further, that the Government of Saskatchewan direct any monies available from the federal infrastructure program towards double-laning Highway No. 1, rather than allocating these funds towards capital construction projections in the province.

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

From the Gull Lake, Tompkins, Medicine Hat, and Shaunavon area. I'm happy to table these today, Mr. Speaker.

**READING AND RECEIVING PETITIONS**

**Clerk:** — According to order, the following petitions have been reviewed and pursuant to rule 12(7) they are hereby read and received:

Of citizens of the province petitioning the Assembly to oppose changes to federal legislation regarding firearm ownership.

And of citizens of the province petitioning the Assembly to allocate adequate funding to the double-laning of Highway No. 1.

**NOTICES OF MOTIONS AND QUESTIONS**

**Mrs. Bergman:** — Thank you, Mr. Speaker. I give notice that I shall on day 57 ask the government the following question:

Regarding the Department of Social Services and the child action plan: (1) who are the groups who received grants under this program; (2) what is the amount of the grants and when were they paid; (3) who are the applicants who were denied grants?

**INTRODUCTION OF GUESTS**

**Mr. Whitmore:** — Thank you, Mr. Speaker. Through you and to you, Mr. Speaker, in your gallery today, I would like to introduce an old friend of mine, Colleen Matheson, and her daughter Lasha. They are residents of Lumsden. And with them today is also Mathew Barnes who is a high school exchange student from Australia.

Colleen and I . . . Colleen is from Harris, my home town originally. We grew up together at Harris. I would like the members of the Assembly to welcome them here today.

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

**STATEMENTS BY MEMBERS**

**Earth Day**

**Mr. Scott:** — Thank you, Mr. Speaker. On April 22, 1970 a group of friends in the United States got together to talk about the state of our fragile planet. They dubbed their local meeting as Earth Day and agreed to meet each year for a general discussion on the state of the earth.

More importantly, this handful of people committed themselves to expanding their Earth Day across the nation and beyond. Now on the silver anniversary of the international Earth Day, people around the world celebrate our planet and its remarkable biological diversity. They are more aware of the environment and recognize that our very existence depends on a healthy planet.

Nearly every day there are reports about environmental destruction. Unfortunately positive environmental news is often overshadowed, or not even noticed, as individuals make the well-being of their environment a part of the daily routine. For example, people are managing their backyards for the benefit of wildlife and driving more energy efficient automobiles. Recycling is a part of daily lives. Energy efficient standards are met in many new homes and office buildings. Tree planting and green space is a part of new subdivisions.

Waste disposal, elimination of harmful chemicals, protection of natural areas and endangered species, and the reduction of pollution, are all happening on a daily basis.

We have come a long way since the first Earth Day 25 years ago, but we still have a long way to go. However, as people

everywhere continue to do their part, not only on Earth Day but every day of the year, the goal to make this planet a better place to live will succeed. Thank you.

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

#### MLA Receives Award

**Ms. Murray:** — Thank you, Mr. Speaker. This is a bit out of the ordinary, but I want to take a moment to talk about a current, non-retired, very much alive member of this legislature.

I want to announce with pride that my friend, the member from Indian Head-Wolseley, who has just taken his seat, has been named by the Canadian Wildlife Federation as legislator of the year for 1994.

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

**Ms. Murray:** — This award, Mr. Speaker, is given to federal, territorial, or provincial legislators for leadership in environmental issues. Specifically this award was given to the member from Indian Head for his work in getting another million and a half acres of habitat placed under the Saskatchewan wildlife protection Act.

His colleagues know his current work on the caucus environment committee. We also know that this work is a continuation of his previous involvement as president of the Canadian Wildlife Federation, president of the Whooping Crane Conservation Association, and as president of the Canadian Natural History Society.

Mr. Speaker, we all pay lip-service to environmental protection. Some few of us perhaps extend our good intentions into some action. The member from Indian Head-Wolseley though, is in a class by himself, speaking and acting for us all in defence of our invaluable and shrinking natural environment.

On behalf of all his colleagues, I congratulate him.

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

#### North-west Trade Fair

**Mr. Sonntag:** — Thank you, Mr. Speaker. A very popular event will be taking place in my riding on the weekend of April 28 to 30. The fifth annual North-west Trade Fair will be held in the Meadow Lake arena. This year's event is sponsored by the Meadow Lake Winter Festival.

And just to give you an idea of the popularity of this event, last year the trade fair attracted over 6,000 people. The 1995 trade fair promises to be just as exciting. There will be over 90 booths with exhibits from local businesses and exhibitors from across the prairie provinces.

Mr. Speaker, Meadow Lake has been proclaimed the forestry capital of Canada for 1995, and that is why this year's fair will

focus on that theme. There will be displays inside the arena concerning reforestation by Mistik Management. There will also be forestry displays outside of the arena.

Agriculture plays an important part in the local economy, and organizers of the trade fair are planning to include the futurity heifer competition, open class showmanship competition, and the cow/calf competition this year.

Mr. Speaker, not only is Meadow Lake the forestry capital of Canada, but on the weekend of April 28 to 30, I am sure it will be proclaimed the entertainment capital of Saskatchewan.

Meadow Lake, Saskatchewan — just a great place to live. Thank you very much.

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

#### Tisdale Doghide River Festival

**Hon. Ms. Carson:** — Thank you, Mr. Speaker. Mr. Speaker, next weekend, beginning on Friday evening, the Doghide River Festival Committee of Tisdale will host the wildest and I'm afraid the wettest festival in north-eastern Saskatchewan.

This is the fourth annual arts and cultural festival, one that was attended last year by over 300 celebrants. And the organizers hope for even more this year.

The Doghide River, Mr. Speaker, is normally a sleepy little stream on the outskirts of Tisdale. Today, however, it is a raging torrent. So one event might have to be postponed or at least altered a bit.

A series of walking trails have been built along the banks of the Doghide and they were to have been officially opened. But unless you bring your snorkel, this will have to be postponed.

At any rate, the festival opens Friday evening with a dinner theatre production of the theme of wild, wild west. On Saturday and Sunday, there will be continuous activity at three separate events — singers, buskers, dancers, bands, most of them local.

In addition, there is an exhibition called the curiosity exhibition — a booth for those strange odds and ends that we all have in the bottom of our desk drawers and can no longer identify. There is also a booth with two antique experts who will look at your possible treasures and tell you what they are and maybe what they're worth.

In short, Mr. Speaker, something for everybody. I encourage as many as possible to bring their waders and to come to the Doghide River Festival next weekend. Thank you.

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

#### Moose Jaw Tunnels

**Mr. Hagel:** — Well, Mr. Speaker, Moose Jaw's tunnels are

back in the news again. While excavating for a new spa which will be located on the site of the old Harwood Hotel, what appears to be yet another tunnel was discovered. I'm told a couple of old booze bottles were laying on the floor.

Moose Jaw's tunnels have been a source of speculation for years, with great debates as to what they were used for, or perhaps more to the point, which were used for what.

Well we all know that Moose Jaw is on the Soo Line to Chicago and that our River Street hotels may very well have been refuge for Al Capone when things got too hot for him in Chicago. Some say they were escape tunnels in case things got too hot in Moose Jaw.

Underground routes for rum runners during Prohibition, gaming tables and wheels, brothels, opium dens, hiding places for illegals, all are part of the speculation as to what the tunnels were used for.

What's the answer, Mr. Speaker? Perhaps it's a little of each and perhaps there were even other uses. The only thing I know for sure is that we'll continue to study Moose Jaw's history to try to figure it out. And people are welcome to come from all over to help us solve the mystery of the famous — or is it infamous — Moose Jaw tunnels.

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

## ORAL QUESTIONS

### Communications Allowance Misuse

**Mr. Swenson:** — Thank you very much, Mr. Speaker. Mr. Speaker, my question this morning is to the Minister of Justice or to the minister responsible for the Board of Internal Economy. Mr. Minister, last year two NDP (New Democratic Party) back-bench MLAs (Member of the Legislative Assembly) were discovered to have misused their MLA communications allowance through the distribution of NDP partisan material and blatant political information to their NDP membership list.

Mr. Minister, at the time, the Board of Internal Economy, which is made up of a majority of government members, decided it would simply accept repayment from these members rather than proceeding with any punishment or reference to the RCMP (Royal Canadian Mounted Police). The member from Melville subsequently reimbursed his MLA constituency allowance by some \$300 for this particular instance.

My question is simple: can you tell us why this course of action was deemed to be the appropriate one?

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, to answer the member with respect to the issues he raised, I think he's well aware of the situation. And there was some dispute as to whether or not

the expenditures were appropriately done under the communications allowance, and whether the expenditures were of a partisan nature or whether they weren't.

And I want to say to the member, he sat as a member of the Board of Internal Economy, as I do. And the members, without being involved in dispute, decided rather they would pay back for the expenditures that were incurred under that allowance.

So I would want to say to the member, the Board of Internal Economy sets the guidelines, and he knows that. We have set guidelines with respect to expenditures on communications, and I think the issues have been adequately addressed.

**The Speaker:** — Order, order. Will the member from Arm River please come to order. Order!

**Mr. Swenson:** — Thank you, Mr. Speaker. And, Mr. Minister, I appreciate the answer, but I think it's obvious to you and to everyone here that there is a double standard involved. Because to date, Mr. Minister, to date, where a government member has been found violating the MLA communication allowance, all they've had to do is pay the money back and nothing further is said. No criminal charges were laid in these instances at all.

So I guess the question begs, Mr. Minister, where it is a clear violation of the communication allowance rules, why these cases weren't turned over to the RCMP for further investigation. Why was that, Minister?

**Hon. Mr. Lautermilch:** — Well let me say, Mr. Speaker, that it's certainly not up to the Board of Internal Economy to determine whether or not criminal charges are laid. I think you're well aware of the judicial system that we have in this province. The investigations are not done by the Board of Internal Economy.

We have a legal process; it's been in place — and I think well respected in this province — it has been in place for many years. And I think you're well aware of the fact that there are enforcement agencies that will investigate activities that are believed to be criminal. They will then make their determination as to whether or not it's referred to the Department of Justice, and I think he's well aware of that.

I want to say to the member from Thunder Creek that he's been around the Board of Internal Economy for a long time and understands its role. And I think he is well aware of how the justice system works as well and should take that into consideration when he is making his allegations or posing questions.

**Mr. Swenson:** — Thank you, Mr. Speaker. Mr. Minister, I understand very clearly about the role of the Board of Internal Economy and I also understand very clearly who is in the majority there.

You see, Mr. Minister, we aren't the only ones who see a double standard. Mrs. Gloria Baer from Southeby was given a

newsletter from her MLA, the member from Last Mountain-Touchwood. That newsletter was clearly on MLA letterhead, Mr. Speaker, and sent from the member's constituency office, yet the information was entirely political and even included advertising for the NDP member's nominating meeting held on February 5.

Mrs. Baer assumed that this was as illegal as the other charges she had heard about. She therefore laid a complaint with F Division of the RCMP. Sergeant Leitch and Inspector Skead informed Mrs. Baer that, while they agreed, if the newsletter is prohibited by the rules of the Legislative Assembly, they refused to investigate and told her to refer her complaint to the Board of Internal Economy.

In other words, Mr. Minister, one group of MLAs has the full brunt of the Justice department on them for four years; the other doesn't even get a brief look at the improprieties. Now that double standard was apparent to Mrs. Baer and that's why she brought it to the attention of the Assembly.

What do you say to that, Mr. Minister responsible for the Board of Internal Economy?

**Hon. Mr. Mitchell:** — I think the brunt of the question, Mr. Speaker, goes to the way in which F Division dealt with this complaint. And I would say to the member, as he perfectly well knows, that complaints of that nature should be taken up with F Division. And if the matter can't be resolved with F Division, then the matter should be referred to the complaints commissioner for the RCMP, because what you're really complaining about is the conduct of RCMP officers.

It's not for the minister responsible for the Board of Internal Economy to answer in this legislature for investigative decisions made by officers of the Royal Canadian Mounted Police.

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

**Mr. Swenson:** — Mr. Speaker, perhaps the Minister of Justice then wants to answer the next question.

If he is so confident about the processes involved, then perhaps to clear the air for people like Mrs. Baer and others around this province, who quite frankly think there is a double standard in place, then maybe what should happen is that all members of this Assembly, regardless of party, should have their records, their accounts, their request for payment forms, all turned over to the RCMP and all looked at and all put under the magnifying glass for scrutiny. And then we can be assured after that, Mr. Minister, that there is no double standard in the province of Saskatchewan.

Would you like to answer that instead of the other minister?

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

**Hon. Mr. Mitchell:** — Well the Board of Internal Economy are

in charge of these matters and it's not for the Minister of Justice to stand and speak for all members of this House or for the Board of Internal Economy. You guys . . . the member is on that board, Mr. Speaker; he can raise the matter there.

That committee, as I understand it, Mr. Speaker, has been working very hard on this question of the communications allowances and has been trying to develop some guidelines and make it perfectly clear what is allowed and what is not allowed. But I repeat to the member, if he's got any question about how F Division has handled any of these complaints, these are investigative matters that are not the business of the Department of Justice. They are not the business of the political arm of government. They are a matter for the justice system itself to handle.

And we must not, we must not in this House, in this Assembly, or in this government, ever interfere with the conduct of an investigation or with the way in which the justice system handles cases. And that is the fact whether the member from Estevan likes it or not.

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

**Mr. Swenson:** — Mr. Minister, you didn't answer the question. I said there is a cloud hanging over this Assembly because of actions of all types of members, Mr. Minister. Obviously the Board of Internal Economy only deals with it when it isn't going to be a problem for the government.

Now, Mr. Minister, this complaint was brought forward. They said clearly they didn't want to have anything to do with it, throw it back here. What we've seen in the past is that those members simply pay back the money that was improperly used.

Mr. Minister, the public, Mrs. Baer, perceive a double standard. I say, sir, it is up to you to remove the double standard, even the perception of one. Why not have all members of this Assembly have their records looked at in the period of time under question?

**Hon. Mr. Mitchell:** — Again the member refers to the RCMP. And I say to the member again — and I wish he'd listen to this answer so he wouldn't have to ask the question again — if you've got complaints, if you've got complaints, if you've got any complaints about the way in which the RCMP have responded to the complaint made by that particular woman, then take it up with F Division; take it up with Assistant Commissioner Proke; take it up with the complaints commissioner of the RCMP. Don't take it up with members of the government. It's not our business — it's not our business. The investigation of criminal complaints is the business of the RCMP, and that's the fact of the matter.

Now there's no cloud hanging over the members of this legislature with respect to the expenditures of their communication allowances. All kinds of members here have never had any questions raised whatever — whatever.

The Speaker's office has administered expenditures out of the communications allowance, as I understand it, and they're being administered in a very tight, very business-like fashion. The member himself, Mr. Speaker, is the one who is attempting to throw a cloud over all members of this legislature.

I ask, Mr. Speaker, what is the member's motive in trying to throw a cloud over all members of this legislature, all of whom are spending their communication allowances in accordance with the law?

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

#### District Health Board Elections Office

**Mr. Toth:** — Thank you, Mr. Speaker. Mr. Speaker, I have a question today for the Minister of Health. Mr. Minister, I wonder if you could inform us about the names of the people who are running the district health board elections office, and were these positions publicly advertised?

**Hon. Mr. Calvert:** — Mr. Speaker, I don't have with me the entire list of everyone that would be working on that important task. I commit I will get the list of those names to the member.

I want to remind the member that this is an historic opportunity for Saskatchewan people, for the first time in history, to participate in a democratic process in health care decision making in our province. Mr. Speaker, the work of that office is an extremely important work. We know it's being done by very qualified people.

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

**Mr. Toth:** — Well, Mr. Speaker, I find that historic answer very interesting. Maybe the Premier could respond.

Mr. Premier, prior to the last election you promised to quit appointing former NDP candidates and party hacks to important positions. A few weeks ago, we saw a list of over 70 such appointments published in one of the newspapers.

And now who do we find in charge of your new health board office? None other than Mr. Dickson Bailey, former NDP candidate, and Anne Fehr, former constituency secretary to Louise Simard.

Mr. Premier, how do you explain these blatant patronage appointments? Why have you broken your promise to the Saskatchewan people, a promise where you said you would stop making these kind of appointments?

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

**Hon. Mr. Calvert:** — Mr. Speaker, the member would rise in the House today and attempt to portray a situation where he's revealing something. Good grief, we've issued news releases and it's been widely known all over the province that Mr. Dickson Bailey is in fact heading that operation.

The member asks for all of those who are working over there, and I committed I'll provide the total list. I don't have the total list, and I'll provide that to him.

Mr. Speaker, I say again, this is an historic occasion for Saskatchewan people. We've brought together a team of people to work with our districts and work with communities across the province. Indeed Mr. Bailey has been doing that, travelling the province, working out the ward boundaries, working out the various regulations that are going to need to be put in place for this occasion. Because, Mr. Speaker, it has been the commitment of this government from the beginning of health renewal that communities and Saskatchewan people should have a much more direct involvement in making the important decisions regarding health and health in their communities, health for their families. And so we see this as an important role and we know we've got a competent team there helping us to work through the important details.

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

**Mr. Toth:** — Mr. Speaker, it appears that again we have a double standard. Just prior to the last election, the Premier said, no more blatant political partisan appointments. However, what have we seen over the last four years? It seems to me the Premier forgot his promise to the people of Saskatchewan. I wonder if the promise is going to be made in the next few weeks — no more blatant partisan political appointments.

Mr. Premier, or Mr. Minister, it would seem to me that if there is an office that should show non-partisanship, it should be an electoral officer. Election officers rank high, right at the top of the list, yet virtually every deputy returning officer in the province of Saskatchewan is an NDP partisan. And now we see two more New Democrats in charge of the district health board elections office.

Mr. Premier, I'm wondering, if you would have had the courage to open this position up for nominations, if you would have been willing to look at people on the basis of their ability rather than their political connections. Why did you choose to appoint Mr. Bailey and a former NDP candidate?

**Hon. Mr. Calvert:** — Mr. Speaker, many in this House will know and many across Saskatchewan will know that Mr. Dickson Bailey served as chief electoral officer for the province of Saskatchewan at one point in his career. Mr. Speaker, Mr. Bailey brings a level of expertise to this task that I'm sure it would be very difficult to find in any other individual in our province.

We have sought this kind of expertise because of the importance of the work that's being done there. Again I repeat, Saskatchewan, we are here pioneering — pioneering an historic election process. This will be the first time in the province of Saskatchewan, the first time anywhere in the nation of Canada, that health boards, health decision makers, will be elected by local communities.

Mr. Speaker, it is a crucial and key component of health renewal. We are endeavouring as best we can to ensure that the processes are sound, that the people of Saskatchewan are made acquainted with the various issues that will attach themselves to the election of the district boards. And, Mr. Speaker, I know that we have a very competent individual and a competent team of people working that process through.

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

### Health Care for Seniors

**Mr. McPherson:** — Thank you, Mr. Speaker. I would like to raise an issue today that a resident of Ogema feels must be addressed in this House. Lornie Talbot is grieving the loss of her mother, Taneda Evelyn Schreiner, who passed away on January 19. But not only is she grieving the loss of her mother, she's grieving the way in which her mother spent the final three years of her life.

Taneda Schreiner was shuffled 11 times — 11 times — between hospital, respite care, and long-term facilities. And I'd like to table a list of those facilities today, Mr. Speaker.

My question is to the Minister of Health: Mr. Minister, how do your health care reforms allow an elderly person to be transferred from facility to facility 11 times in three years?

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

**Hon. Mr. Calvert:** — Mr. Speaker, I have heard the member's question. I have heard the information that he brings to the House this morning. I want to say, generally, that it is not uncommon that in the final years and the final days of life, we will find ourselves moved to meet the needs that occur where the needs can be appropriated provided. But, Mr. Speaker, I want to assure the member, as we have with others, of his questions in this House, we will follow up very thoroughly on the information that he brings.

Now, Mr. Speaker, while I'm on my feet, on April 13 of this month, that member from Shaunavon came into this House and said, quote, on behalf of Mr. Dave Nelson of Shaunavon, "Mr. Nelson was without health coverage for almost a year and a half . . ." The member said that. He then referred to Mrs. Nelson.

I had officials from the department speak with Mrs. Nelson. The fact of the matter is this, Mr. Speaker: Mr. Nelson was not without health coverage for one day — not one day, Mr. Speaker.

Now maybe the member would want to explain that to the members of this legislature.

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

**Mr. McPherson:** — Thank you, Mr. Speaker. I'm somewhat disappointed with the Minister of Health for calling into question the truthfulness, again, of one of my constituents

because, Mr. Minister, she has told the media, myself, and people in this Assembly those facts. And the Minister knows that to be correct.

Mr. Speaker, the late Mrs. Schreiner had a bed in a long-term facility in her hometown of Vanguard, a time during which Mrs. Schreiner was surrounded by friends and was getting the best of care. However, she was then moved to other facilities and passed away only weeks later.

Mr. Speaker, Mrs. Schreiner would have celebrated her 80th birthday on February 18, a birthday her family truly believes she would have been alive to celebrate if it were not that she was constantly being shuffled from one facility to another.

My question again to the Minister of Health: Mr. Minister, when will we begin to see some compassion in your policy positions and statements that affect the elderly, our pioneers and the people who built this province.

**Hon. Mr. Calvert:** — Mr. Speaker, again I repeat that we will take the information that the member has brought to the House this morning, and I will attempt to ascertain the entire situation.

Now the member well knows, and all members know, that we have taken amazing strides forward to bring services to people in their communities. One of the things that I am most proud of that has been accomplished in the last two years is the development of palliative care across our province — palliative care models in our institutions, in our hospitals, and palliative care that can be provided in communities and in individual homes. Mr. Speaker, these kinds of service has not been available before. These kinds of services are deeply, deeply appreciated by people in Saskatchewan.

Mr. Speaker, he will criticize; I think that's part of his political role. But I would ask the member when he's raising issues in this House, as he did with Mr. Nelson, to be truthful, to bring truth into this debate, and then I think we can have a more profitable debate.

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

**Mr. McPherson:** — Mr. Speaker, the document which I tabled earlier has Mrs. Lornie Talbot's phone number of . . . (inaudible) . . . has that phone number on there, and I challenge you to phone her and ask Mrs. Talbot what she thinks about your health care reform process.

Mr. Speaker, Mrs. Talbot has a message for the House, which is that, and I quote: not every decision should come down to dollars and cents. She adds, these people are not animals, but even animals have groups that protect their well-being.

My question again to the Minister of Health. Mr. Minister, when will you commit to reviewing your policies regarding the care of our seniors and that are being provided since you began dismantling our health care system?

**Hon. Mr. Calvert:** — Mr. Speaker, the member will know that we are constantly working with our districts, working with health care providers, working with senior organizations across our province, to do just that: to improve services for the senior community in our province.

We've been approached by leaders of that community, saying it's about time you're doing the kinds of things you're doing, talking about bringing services to where people are.

Now I, Mr. Speaker, yesterday met with a large group of seniors in the community of Esterhazy. And I tell you, we had a good discussion, a good discussion about the future of medicare and health care provision.

And I tell you those seniors, Mr. Speaker, sure don't want the Liberal Party in charge of our medicare. Now that's for sure, Mr. Speaker. They're seeing some of the things that the Liberal Party of Canada, Ottawa, are endeavouring to do to health care across Canada, and what the Liberal Party in Saskatchewan has stood for in the past in this province when they kicked down the doors, tried to kick down the doors to stop medicare, Mr. Speaker. There's not a lot of credibility in the Liberal benches.

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

### Rural Road Conditions

**Mr. Boyd:** — Thank you, Mr. Speaker. Mr. Speaker, my question this morning is for the Minister of Health. Mr. Minister, yesterday I was in the north-eastern part of the province, an area that I know the NDP likes to call Red Square. Right now it looks a lot more like the Red Sea.

I want you to speak a little bit about that, Mr. Minister. This is actually a very serious question for the people who live in that area. Some highways are impassable; many grid roads are also impassable. What contingency plans, Mr. Minister, do you have in place for hospitals and people in that area in event of a medical emergency?

**Hon. Mr. Romanow:** — Mr. Speaker, I'll take this question on behalf of the government, if I might. This is indeed, as the Leader of the Opposition has pointed out, a very serious matter because of the spring flooding conditions in that part of the province, but not only that part of the province.

I've indicated on behalf of the government that we are committed to doing all that can be reasonably done to assist the RMs (rural municipality) and the local authorities to provide proper transportation services. And we hope in the next very few days, on a general policy, to be able to make some specific announcements. But in the meantime the Department of Highways is working with the appropriate local authorities.

Specifically on the question of health care, the Minister of Health indicates that during this immediate current situation of difficulty we have made arrangements, the Department of Health has made arrangements, for emergency helicopter

service if that's required, in terms of getting people to the appropriate health site for health attention.

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

**Mr. Boyd:** — Thank you, Mr. Speaker. My question is now for the Minister of Highways. Mr. Minister, I realize there isn't much can be done right now while the roads are under water, but I understand according to one of your officials, asphalt is starting to lift off the road surface of Highway 9 and it is really starting to deteriorate. Both the highways and grid roads in this area were in terrible shape to start with; now they're getting even worse.

Mr. Minister, have you reallocated any funding to rebuild these roads in the area as soon as conditions allow for that?

**Hon. Mr. Romanow:** — Again, Mr. Speaker, I will take this question because it's a follow-up from the first one which I think is, as I've said before, a very serious, immediate problem for Saskatchewan.

The Department of Highways and Transportation staff are working side by side with the municipalities at this very moment and trying to respond to the situation.

And as the member points out himself, there's not very much that can be done while they're still waiting for the . . . actually the tide of the flood to even strike some areas.

The government has also advised municipalities that they can reallocate their road construction and regravelling funding to address current situation as the spring thaw continues.

But what we really need to do is to assess this — the question of regravelling, the question of any disaster relief emergency funding, the entire package — in such a way which is sensible, practicable, as immediate as possible, and as manageable of course financially. And in this regard what we need here is still some more information and attention to the issue.

But I can assure the Leader of the Opposition, who raises this very important matter today, the House, and the people of Saskatchewan, this is one of the top-of-mind issues which we are looking at, and if you can just bear with us for another few days, we'll be able to outline, I hope, more specific, detailed program of financial assistance.

But there is on-site assistance now.

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

**The Speaker:** — Order. Order. We'll now turn to ministerial statements. Why is the member on his feet?

**Mr. Toth:** — With leave, to introduce guests.

Leave granted.

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## INTRODUCTION OF GUESTS

**Mr. Toth:** — Thank you, Mr. Speaker. I just noticed in the east gallery, a couple and their son that have joined us this morning — I believe the Morrisons from Whitewood. Randy happens to be a teacher in the community. And I see they've taken advantage to take a moment out of their busy schedule. I'm sure they've enjoyed a bit of a break from a hectic time at school and a week to come and join us this morning. So I'd invite members of the Assembly to welcome the Morrisons to the Assembly here this morning.

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

## INTRODUCTION OF BILLS

### **Bill No. 60 — An Act to amend The Department of Health Act**

**Hon. Mr. Shillington:** — I move first reading of a Bill to amend The Department of Health Act.

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

## ORDERS OF THE DAY

### WRITTEN QUESTIONS

**Hon. Mr. Lingenfelter:** — As it relates to question 62, I move it be converted to motion for return (debatable).

**The Speaker:** — Question 62, motion for return debate.

### GOVERNMENT ORDERS

### ADJOURNED DEBATES

### SECOND READINGS

### **Bill No. 42**

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Shillington that **Bill No. 42 — An Act to abolish the Rules Against Perpetuities and The Accumulations Act and to enact Consequential Amendments** be now read a second time.

**Mr. Toth:** — Thank you, Mr. Speaker. Mr. Speaker, the other day when the former Justice minister introduced this Bill as being a minor housekeeping matter regarding a silly, useless, and obsolete principle of law, it appeared to us that that was indeed the case — that this was just a very minor and trivial Bill to address a number of issues.

However, Mr. Speaker, we've also found that as we've reviewed the matter and reviewed the Bill, we've had the opportunity to discuss this matter with some lawyers, and we are not so sure that the Bill is as inconsequential as the former Justice minister

suggested.

In spite of what the former minister said, the rule regarding perpetuities affects more than the land holdings of British aristocrats. And I believe we had a couple of individuals from Saskatoon join us yesterday afternoon, and they came to our office and indicated that they have some grave concerns based on some of the comments that we had made previous.

It is a far-reaching, well-established principle of law around the world with deep implications for contract law and the implementation of wills. In light of this, Mr. Speaker, it seems that our . . . and our caucus believes that to simply abolish the rule regarding perpetuities is rash and should be reconsidered more carefully.

The rule regarding perpetuities, Mr. Speaker, exists in most British common law and American jurisdictions in one form or another. Mr. Speaker, I doubt that the minister could name many jurisdictions where it does not exist. The one example that does immediately spring to mind is Quebec, but that province does not follow British common law so it perhaps is not the best example to cite.

Mr. Speaker, many jurisdictions have substantially altered the perpetuities rule and have dispensed with the legal reference to the rule in *Whitby v. Mitchell* and *The Accumulations Act of 1800*. Certainly if the government wanted to bring forward some reforms to the rule rather than offhandedly abolishing it, we would feel much more comfortable with the situation.

Mr. Speaker, we realize that this matter has been considered by the Law Reform Commission and therefore is probably not something that the government has a lot of ideological stake in. However it is our advised opinion that this legislation could cause considerable upset and confusion in the business community.

Contracts and wills going back generations have been formulated on the existence of the rule regarding perpetuities in this province. Since this legislation is retroactive back to the formation of the province, every single one of these contracts could well be thrown into confusion.

Mr. Speaker, before we could support this Bill, we would have to be convinced by the government that they have studied these potential effects and have a plan to manage any legal problems that may arise from this Bill.

Mr. Speaker, the former minister of Justice mentioned that this Bill was prompted by complaints brought forward by the oil and gas industry. Certainly our caucus understands how much this industry contributes to this province and we would not want to stand in the way of any measures that would improve the competitiveness of it.

However we have been advised that the province of Alberta retains a modified perpetuities rule. Now, Mr. Speaker, I would find it hard to believe that the province of Alberta would retain

anything that would not favour the oil and gas industry.

So again, Mr. Speaker, our caucus is not entirely comfortable with the drasticness of this Bill; we would rather see the rule modified rather than abolished. However we will, for the moment, bow to the expertise of the Law Reform Commission.

None the less, I think we should take a bit more time and spend a few more days reviewing this piece of legislation before we would proceed to Committee of the Whole, where I'm sure we will have a number of questions.

And indeed, Mr. Speaker, we want to make sure we've taken the time to have given everyone who has some concerns regarding the Bill and the problems that it may affix to them, the opportunity to speak to us. And therefore, Mr. Speaker, I would move adjournment of debate at this time.

Debate adjourned.

(1045)

#### **Bill No. 54**

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Shillington that **Bill No. 54 — An Act to establish an Aboriginal Courtworkers Commission** be now read a second time.

**Mr. Toth:** — Thank you, Mr. Speaker. Mr. Speaker, before we allow this Bill to go to committee, I just wanted to make a few more comments. I believe many if not all of us may have seen the — and I believe it was on the news last night — a bit of a blurb about the aboriginal courtworker program and some of the work that has already been started; the training sessions that have been undertaken in order to bring aboriginal people up to speed regarding the Act and how it will apply, and the circumstances in which they will be utilizing it.

And as I indicated the other day, we certainly understand the need for a better communications process for our aboriginal people regarding the court system. And the fact that in our aboriginal community we have so many linguistic and language changes and languages among our aboriginal people, I can see where if we were to run the system as it continues to exist, it does create a bit of a problem. And many times maybe some of our aboriginal community do not receive the respect that is due them, or even have a good enough understanding of the laws that they may be charged with or that they may be facing.

So while on one hand we feel there are many good things to this Bill, we also want to have brought forward the point that it's imperative that we do not create a double standard, or a double system, in this province, where one group may be favoured over another group of individuals.

And I don't know if this Bill necessarily does that. It does raise some questions and those are some questions that we must take the time to address and seek . . . or raise with the Minister of Justice to indeed let him know and let this House know, the

Assembly know, let the people of Saskatchewan know, that the laws will apply — even with the establishment of an aboriginal courtworker program — will apply equally and fairly to all. And we trust at the end of the day, Mr. Speaker, that certainly the aboriginal community will have a better understanding of the legal system and how it applies to them and how they fit into that system.

And I'm sure on many occasions they have felt that the system hasn't treated them fairly. I'm sure that you will find people of Caucasian descent would feel that the judicial system hasn't necessarily treated them fairly. But it's certainly important that we at least create a level playing-field and that level playing-field treat everyone equally and fairly.

And therefore, Mr. Speaker, I believe that this Act does indeed try to create that level playing-field and we will certainly have some important questions to bring to the minister's attention as we get into Committee of the Whole. And therefore at this time, Mr. Speaker, I don't see any reason why this Bill should not proceed then to committee.

Motion agreed to, the Bill read a second time and referred to a Committee of the Whole at the next sitting.

#### **Bill No. 49**

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Shillington that **Bill No. 49 — An Act respecting Interior Designers** be now read a second time.

**Mr. Goohsen:** — Thank you, Mr. Speaker. We've had the opportunity to discuss this Bill on a previous occasion and I think that we spent some time elaborating to the members of the government that in general principle we think this is not too bad of an idea. But we have had some people that have come forward now of late to discuss with us their feelings about the Bill in a negative way, as it might affect their lives in a negative way. And we have been studying those complaints and the issue on their behalf and we've been listening to their ideas about the Bill.

Now the main purpose of the Bill is to protect the title of interior designer, and in turn to protect the public engaging the services of someone in this profession. And as such we think that that is probably a good principle, to protect people's interests when they hire someone so that they know in fact they are getting a professional to do a certain kind of a job when in fact they are considering to pay a professional fee for the work that's going to be done.

We're not quite finished though, consulting with those people that have concerns about the Bill and we are going to continue to do that in the days to come. And I think probably it'll be a few days before this Bill does come forward again in committee. And of course our questions are somewhat detailed now to find out exactly what's going on, so we feel that we will be better off going into committee to look at this Bill, to find out exactly what the answers are to the questions that people

out there are posing to us.

And so through us, we are going to work with the government in committee to try to find out if there is a need to change any parts of the Bill with amendments and that sort of thing, and we can only effectively probably do that in committee.

So having considered that this is the proper place for it, so that we can get the work done of the House and serve the people in their best interests, we're going to allow this Bill to go on into committee. And so with that having been said, Mr. Speaker, we suggest to the government that they carry on with the process of this Bill into committee so that we can get on and try to make it a better Bill and serve the people of Saskatchewan.

Motion agreed to, the Bill read a second time and referred to a Committee of the Whole at the next sitting.

## COMMITTEE OF THE WHOLE

### **Bill No. 8 — An Act to repeal The NewGrade Energy Inc. Protection Act**

**The Chair:** — Before we proceed to clause 1, I would ask that the minister responsible to please introduce the official who has joined us here today.

**Hon. Mr. Shillington:** — I'm joined by Peter Wyant, who is certainly not new to the Assembly; he's been here both the other times. But I'm happy to introduce him and happy to have him here.

#### **Clause 1**

**Mr. Devine:** — Mr. Minister, I had asked for some information and I believe that the previous minister had agreed to provide us with that information. And I wondered if you would have it available with respect to royalties and various monies associated with the upgrader.

**Hon. Mr. Shillington:** — No, we do not have the information available, and given the nature of the request, it cannot be provided for a period of time. It's not going to be available during the period of time these estimates are before the Assembly. We'll provide it as and when we can, but it will not be available during the period of time these estimates are before the Assembly.

**Mr. Devine:** — Mr. Minister, would you just mind explaining why you can't provide information with respect to the financial position of the upgrader. This Bill is about the upgrader and we're just asking very straightforward questions about the financing and the costs of operation and associated structure of the oil coming into the upgraders and going out of the upgrader. I mean it's pretty basic information, the amount of royalty associated with oil. I mean it's just fundamental questions about the operation of an upgrader. Why can't the general public receive information? What seems to be the problem?

**Hon. Mr. Shillington:** — Mr. Chairman, this request has absolutely nothing to do with the Bill. The Bill is the repeal of the provisions which would have placed this project under trusteeship. Your questions have to do with something entirely different; it's the royalty structure.

Notwithstanding that, in an effort to be as cooperative and accessible as possible, the former minister, in a brief but brilliant career as minister in charge of Crown Investments, did undertake to provide this information. However the question you asked with respect to royalties is very complex and it cannot be provided quickly. I say to the hon. member, it has nothing to do with the Bill.

**Mr. Devine:** — Mr. Chairman, obviously the Bill that was enacted in this legislature and used, had everything to do with financing of the upgrader, and now they're repealing the Bill. And it has everything to do with financing and the government's revenues associated with the upgrader and with heavy oil.

And I asked the minister if he would comment on the general economic conditions associated with upgrading and whether the government made money on one hand from all the oil royalties associated with pumping up to 50,000 barrels a day into the upgrader, and how that might offset some costs to the general public associated with financing the upgrader. And he promised he would get that information back to me, and you say it's not relevant. It's the whole reason for the Bill.

So I can't understand why . . . in a factual nature, if the minister offered to get me the information. It's not good enough for you to say it's not associated; the minister's already agreed. We agree on that? The minister agreed to give me the information.

Now you're saying you don't want to give the information because it's not connected to this Bill. Well the first question has been resolved. The minister agreed this is relevant financial information.

So the second question is: why in the world wouldn't your staff, after being involved with an upgrader now for years and years and years, have information on the financial wherewithal associated with a barrel of oil going into an upgrader? I mean, Mr. Minister, I can't think of a legitimate or logical excuse for you not to have information on the upgrader and the financing of the upgrader when we're here talking about a Bill that you used to deal with the upgrader.

So again, could you enlighten the Assembly why you don't have information with respect to the oil upgrader when we're talking about the upgrader and oil royalties and the financial position of the upgrader?

**Hon. Mr. Shillington:** — The member is partially wrong. We did not say we wouldn't provide it — indeed I said I would. It is simply a complex question, the answer to which cannot be provided quickly. And I'm not given assurance by the officials that they can provide it within the next two or three weeks.

which is normally the length of the session.

So that we will provide it, but can't provide it in a timely fashion. That's what I've said to the hon. member.

**Mr. Devine:** — Minister, we could be sitting here for several weeks. Could you briefly describe the financial operation of the upgrader, which is relevant to this Bill?

**Hon. Mr. Shillington:** — No, it's not relevant to the Bill. This is not estimates. This is a Bill which repeals a trust . . . which repeals a Bill which might have put the whole project under trusteeship. It is not a Bill which structures, financially structures, the deal. This is not estimates.

And I'm not going to take the . . . one cannot do that simply. That's actually a very complex question and it is not a fair question on a Bill of this sort. And before the chairman rules both of us out of order, as I'm sure he's going to, I am telling the member that it's not relevant to give you a description of the financing of the upgrader.

The member knows that just as well as I do. You were the author, your government was the author, of the problem.

**Mr. Devine:** — Would the minister then describe why the Bill is before the House? And from that point if he'd give us a little bit of history of the reason for the Bill, why this Bill is before the House, and put it in context. And did it have anything at all to do with the financial operations of the upgrader or the province?

(1100)

**Hon. Mr. Shillington:** — That information was provided to you last time in something less than summary form. It is not entirely clear to me why the member wants to waste the time of the House, but you're patently doing so. You got that information the last time. Moreover — moreover — you knew it before the information was asked.

In a few sentences, the financing of this project was difficult. Both parties were being required to ante up additional operating capital. Both parties, being both levels of government, indicated the undesirability of continuing that state of affairs. The Federated Co-operatives . . . or I shouldn't say the Federated Co-operatives, but the parties generally indicated, one or more of them indicated, they weren't prepared to proceed. And if that had happened, the project would have been in a cash short position.

The Bill was introduced in the event that that happened. It didn't happen. Eventually an agreement was reached. The matter has now been concluded and the project is functioning satisfactorily, as these projects function. That was explained to you in some detail the last time. As I say, it's not entirely clear to me why the members want to waste the time of the Assembly on this issue. But you seem intent to do so.

**Mr. Devine:** — But, Mr. Minister, we got into the financing and that's why I asked for the information on financing. So to complete the discussion on financing, if you don't want me to go back through it, then all I'm asking is for you to complete what the minister said that he would do. He didn't say it was too complicated. He just said, I'll have my officials in the Department of Energy and others get the information on royalties and how much the province makes on royalties, and then connect that to the operation of the upgrader.

And we had a very good discussion. He was reluctant to give me that information, but he finally gave me a lot of information. And you're starting off the same way he did. I'm not giving you anything — that's what you say — just let me do this Bill and get out of here.

This Bill is an embarrassment to you and to the administration. The fact that you had to browbeat the co-op members and threaten them with legislation is an embarrassment. There's co-op members all over the province who absolutely remain upset that you would use this kind of Bill. And what's more, you didn't need to use.

And if we look at the financial position of the province of Saskatchewan and the money coming in from oil royalties, of course you didn't need to use it. And that's the point and you don't want to admit it. That's why you're saying it would take just a little bit longer than the House is in session to get you that information.

Well that's a bunch of malarkey. You're stonewalling. And the co-op members know you're stonewalling, your colleagues know you're stonewalling, and the public knows you're stonewalling.

**An Hon. Member:** — Come on, Grant — stonewalling on what?

**Mr. Devine:** — And the member from Swift Current says: stonewalling on what? On the information. If the member from Swift Current has the information on oil royalties, he can stand in his place or take the place of the minister and he can talk about the reason for this Bill.

The contention, Mr. Chairman, is that there is no reason for this Bill, and the Bill that was before it. None at all. The financial position of the province of Saskatchewan as a result of oil royalties and up to a hundred thousand barrels a day being processed in the province of Saskatchewan . . . generated a substantial amount of money.

But the minister, but the minister . . . can he at least take the time to confirm how much oil the upgrader uses, the financial position of the upgrader today, the differentials that are necessary for it to break even. And in the event that they don't break even, who pays?

And also would the minister, before he gets on his feet, remind the public how much money the federal government put into

this project recently. How much did the feds put in, and what did they get for it? What was the . . . how much money did they put in? And if he could — I think he's the minister of the CIC (Crown Investments Corporation of Saskatchewan) — how much did they put in the other upgrader recently, and what did they get for it?

**Hon. Mr. Shillington:** — Mr. Chairman, Mr. Member, you got all that information last time. You got it all.

Now there's got to be a limit to the extent to which you waste the time of the Assembly repeating questions. These are not simple questions. The information is . . . the information you asked me for is complex.

It is, in my view . . . in my view, it's irrelevant to the Bill. Nevertheless, the former minister correctly, and I think generously, gave it to you. But you've already got the information you just asked for.

**Mr. Devine:** — Mr. Chairman, this Bill is about browbeating Federated Co-op into submission. That's what this Bill is about, and it's an embarrassment.

And the co-op members know that the Government of Saskatchewan has both hands in the energy business — one on the royalty side of oil and the other as an equity participant in the upgrader. And they can win on both.

Mr. Minister, can you tell the Assembly, as minister of CIC, how much royalty the Government of Saskatchewan gets on a barrel of heavy oil, or heavy or medium oil that goes into an upgrader? Could he simply give me that number?

**Hon. Mr. Shillington:** — Let me just say, we don't have that information. You have not yet closed the estimates from Energy and Mines. That's the place to get that kind of information, not here. We don't have that information.

Let me just make a comment, Mr. Chairman, about what the member from Estevan is attempting to do. What you're attempting to do is rewrite history. Your government entered into some abortive deals, cost the taxpayers an enormous amount of money, for which the Conservative Party of Saskatchewan has been judged guilty and found guilty by the public of Saskatchewan. And indeed what this is is a vain attempt by the member from Estevan to breathe a bit of life into the dying corpse of the Conservative Party of Saskatchewan.

I am not the person who wants to shovel the last shovelful of dirt in the coffin of the Conservative Party of Saskatchewan. But I may say, the member opposite, by your tactics and your resolute refusal to accept responsibility for the damage done in the '80s, is doing exactly that.

If members opposite could admit that the arrangements which you entered into were unwise, they have indebted this province for generations to come, if you could admit that, you could begin the process of rebuilding the Conservative Party. But this

vain attempt to prove you were right all along is the exact opposite of what's needed — it's the exact opposite of what's needed.

Let me say, Mr. Chairman — I'm going to say this once and I'm not going to continue to repeat this comment — this Bill does not establish a trusteeship for the upgrader. That was done last year. This Bill repeals it. It's a very narrow Bill with a very narrow purpose.

And the questions being asked by the member from Estevan again and again and again and again, are (a) irrelevant to the issue; (b) out of order; and (c) as I say, a vain and I think a very destructive thing for the Conservative Party, a very destructive attempt to prove you were right all along.

Mr. Former Premier, you've been judged wrong; you've been judged guilty. And until you're able to accept that fact, the Conservative Party of Saskatchewan is not going to be rebuilt. I for one regret that. I think it's had a proud history. But you're going about it the wrong way.

**Mr. Devine:** — Mr. Chairman, I just want to note for the record that in this Bill before the House, we can talk about the Conservative Party, we can talk about debt of the province, we can talk about projects of the province, and we can talk about political strategy without objection.

Mr. Minister, you've opened up the whole can of worms with respect to things that you want to talk about in this Bill. Mr. Chairman, I want to ask the minister if he can provide the public of Saskatchewan the amount of money the federal government put into . . .

Mr. Chairman, I wonder if we could have the attention of the members. If it's all right, we could have the attention of the members, Mr. Chairman.

Mr. Minister, would you advise the Legislative Assembly how much federal money went into this project after you brought in the legislation that forced and browbeat the Federated Co-op into submission.

**Hon. Mr. Shillington:** — 125 million in October '94 as an unrepayable grant.

**Mr. Devine:** — Can the minister describe what the federal government received for providing that \$125 million. Did they receive equity; did they receive a share; did they receive down-the-road benefits? What were the benefits?

**Hon. Mr. Shillington:** — What they got was the release of liability from a very bad deal. They got out. That's what they got out of it. For 125 million bucks they got out of this deal, and we assumed all of their liabilities. That's what it cost the federal government to get out.

**Mr. Devine:** — Mr. Minister, is that true of — and I think you're minister of both upgraders . . . is that about the amount

of money that they contributed to the Lloydminster upgrader?

**Hon. Mr. Shillington:** — That's completely out of order.

**Mr. Devine:** — Mr. Minister, we're trying to determine the financial dealings of the minister with respect to the piece of legislation that he had in place and now he's so embarrassed with, he's repealing. That's what we're dealing with.

Isn't it interesting that we find that there is several hundred million dollars coming into the upgrader in Regina and the upgrader in Lloydminster at a time when several hundred million dollars went from the farmers of Saskatchewan back to the provincial and the federal government.

When we look at something in the neighbourhood of \$300 million of GRIP (gross revenue insurance program) money that was taken out of the hands of the farmers, goes back to the provincial and then subsequently to the federal government, and about the same time, about \$125 million goes from the federal government into the upgrader in Regina and the federal government to the upgrader in Lloydminster.

Mr. Minister, would you comment — and I'm sure that you have the information — on the amount of money going into upgraders as a result of your administration dealing with the federal government, the co-op, and Husky Oil and the Alberta government, associated with federal money coming into the province of Saskatchewan in your renegotiation?

**Hon. Mr. Shillington:** — No. What went into the Bi-Provincial upgrader is simply not relevant to this Bill. And I'm not going to get into that discussion.

**Mr. Devine:** — Well, Mr. Minister, you won't tell us what the royalty structure is on the oil. You won't tell us the financial operations of the upgrader. You won't tell us how much money the province makes on royalties of money going into the upgraders.

When I pushed the previous minister and said it's about 17 per cent, he had to admit it, and the Minister of Energy had to admit that there's something like a \$100 million a year coming in in value added to the province of Saskatchewan associated with the upgraders. And you don't want to admit that because that was a basic argument of the co-op for you not to use this legislation.

They said, look at the money that you're making. On top of getting a gift from the federal government — hundreds of millions of dollars that you took from the farmer — you're picking up royalties from heavy oil and medium heavy oil. Goes into your coffers.

And then you bring in a piece of legislation that browbeats the co-op into submission when you're making money on both ends of it. You're going to be making money on the upgraders; you're going to be making money on the royalty structure.

And all we've asked, and the co-op has asked me and others have asked, is that would you just outline the amount of money coming into the province as a result of the two upgraders. Do them one at a time.

(1115)

And the last minister, after hours of this debate, finally said, yes I'll get you that information. Fair enough. It's associated with the upgrader; it uses 50,000 barrels a day. We make money on royalties; we make money on running the refinery. It pays taxes, it pays sales tax, and we make money as equity participants if the differential is appropriate.

And finally after hours and hours he agreed yes, maybe it's relevant. And he promised to get me information. And in fact in *Hansard* he said yes, I'll get information; and you just finished saying, that's true, but we just can't get it in time.

Well see how you just keep dodging back and forth? After hours and hours of browbeating the previous minister, he said yes, we'll get you more information. And then when you come to the House you say, well heck, I mean, it's been what? — a week, two weeks since we last did this? And now you say, oh no, it'll take maybe just another two or three weeks while the House is on, and we won't be able to do that. It'll be probably just after the House closes.

Isn't that interesting. It took hours and hours of questioning to get you to a point to say yes, this is relevant information; I'll get you that information, the minister said. Now when you're back here you say, well no, it just . . . maybe just after the House closes we might be able to get you the information.

Why are you so afraid to tell the public the amount of money you make on oil royalties, and money you make pumping oil into upgraders? Why are you so afraid of that?

The point is the upgraders are going to make the province of Saskatchewan a lot of money in pumping oil out of the ground. You've got drilling, you've got exploration, you've got royalties. And in fact with the efficiencies that we see in operating those upgraders in Lloydminster and in Regina, we're going to make money even in upgrading. Because those differentials, the necessary differentials, are dropping and dropping from \$6 a barrel down to just over \$4 a barrel.

Well I've been advised by Husky and advised by the Co-op that we're getting more efficient and more efficient as we learn to run them. And we knew that all along. And yet you have to bring in legislation to browbeat them. And that's what's so upsetting and that's why it's so embarrassing to you that you had to treat a co-op and cooperative members in such shoddy fashion.

Well it's really interesting that after all of this time and all of this debate in here, when you finally admitted that you were going to give us the information, now it's too late.

Mr. Minister, it's been I think a week or two since we've been into this. Could you . . . would you please tell the Legislative Assembly what you think the break-even differential is today, and what is the differential today between synthetic crude and your heavy crude that you deal with in the upgrader? What is it today, and what is the current break-even margin necessary?

**Hon. Mr. Shillington:** — All of that was provided last time, Mr. Chairman.

**Mr. Devine:** — Mr. Chairman, oil prices change. This is a dynamic industry. It is a day-to-day operation and certainly is month to month.

Would the minister like to give me . . . I mean doesn't he have enough respect for the Legislative Assembly to say well, all right, the current operations, here are the differentials today, or this is what they are this week, here's what's necessary for a break-even analysis. I mean the last minister at least would cooperate and talk about the operations of the upgrader. This Bill is about the upgrader.

Mr. Chairman, how can he talk about the PC (Progressive Conservative) Party and about projects and about everything else, but not talk about the operations of an upgrader in a Bill like this? I mean this is pitiful.

Take the responsibility; you're minister in charge of the CIC and the upgrader; talk about the upgrader. How does it operate? Give me the differentials today and tell us what's necessary to break even.

**Hon. Mr. Shillington:** — You got it last time. It's the same figure last time. It doesn't change with the price of oil. It's \$4.07. That's what you got last time and that's what you're getting now . . . (inaudible interjection) . . . Of course I do. It's in *The Globe and Mail*. What I'm not going to be . . . It is in *The Globe and Mail*. I'll send you across today's copy of *The Globe and Mail* if your caucus doesn't have access to it.

What I'm not going to be, Mr. Chairman, is a party to the member from Estevan: (a) wasting the time of the Assembly; and (b) trying to rewrite history in doing so. You're asking the same questions now that you asked two weeks ago. And the answers are the same. They were correctly given two weeks ago and the information's still correct.

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

**Mr. Devine:** — Mr. Chairman, the minister won't give the rest of the information. All he does is stonewall and say it'll take three more weeks. Well what kind of an answer is that when he has brought in legislation that has been as Draconian as we've ever seen in here because of the financial operations of an upgrader, and he won't talk about the financial operations of the upgrader? He says no, I'm not talking about it; I'm not talking about it.

Mr. Minister, would you . . . You did say that the federal

government put up \$125 million into the upgrader. You just said that. I think that number came up before. Why did you repeat it? Because it's relevant to the operations of the upgrader.

Mr. Minister, if you can tell us how much the federal people put into this upgrader, would you tell us the amount of money to date that the province has put in as a result of the previous Bill and the one that we're repealing here?

**Hon. Mr. Shillington:** — You asked that last time; you were given the information last time. I commend to the member's reading a copy of *Hansard* from the last time.

**Mr. Devine:** — Mr. Chairman, I asked the minister about the federal contribution and he was willing enough to talk about it. He's willing enough to talk about politics and he's willing to talk about projects. But he won't carry on the conversation with respect to the operation of the upgrader.

Will the minister confirm, will the minister confirm that the royalties paid on oil going into the upgrader on the neighbourhood of 17 per cent of the value of the price of the oil. Will the minister confirm that today? That's ballpark and that's generally the kind of money that the Consolidated Fund can look forward to when you're pumping oil.

**Hon. Mr. Shillington:** — The royalty rates, you asked those questions in Energy and Mines estimates. I think they'll probably try to answer them. They're complex questions and not within the purview of CIC officials.

This is not . . . the royalty rates are not relevant to this Bill. The member is either asking questions which are incapable of being answered, or they've already been asked. I really do not know what the member from Estevan thinks he's accomplishing this morning, but what you're not doing is speaking to the Bill.

There must be some purpose in mind. I assume this is not a morning's entertainment for you. But your purpose really escapes me. It's not relevant to the Bill. You've asked the questions before, and some of them are incapable of being answered.

**Mr. Devine:** — Mr. Chairman, obviously the minister is too ashamed to answer and get the information. It's obviously relevant questions to talk about the financing of an upgrader when you're dealing with a Bill and an upgrader, and he won't respond.

So I'll just put it on the record, Mr. Speaker. We'll have it available that the minister will not respond to financial questions associated with the upgrader in the city of Regina when we're dealing with a Bill that is being repealed, a Bill that repeals an Act that was here to browbeat Federated Co-op into submission.

And it was a shameful Act. The co-op members don't like it. Nobody's, I'm sure, particularly proud of it on the NDP side.

And they would not acknowledge, as the Co-op has asked me to do and asked others to do, that an awful lot of money comes into the province of Saskatchewan as a result of oil royalties going into upgraders. And they wouldn't even acknowledge that when they're negotiating with them.

So they brought in an ugly piece of legislation that just flies in the face of every co-op member in Canada. To treat people like that in the face of . . . And I think it's fair to say, and the minister could certainly talk about it, that as the auditor put together in financial statements and summary statements by the auditor, that the projects — CIC projects — and Crown corporations are netting something like \$600 million to the province of Saskatchewan in 1994 — \$600 million net to the province of Saskatchewan in the summary financial statements.

And the co-ops has said, look of course, as a result of these projects, fertilizer projects, upgrader projects, diversification projects, paper projects, pulp projects, there is going to be — as well as Crown corporation projects — an awful lot of economic development that will pay. And the co-op members have said, why did you bring this ugly piece of legislation when you know all of this revenue is going to be there? And the revenue has certainly grown since these projects were developed.

And what the NDP, I'm sure, of trying to do is put their stamp on it, rewrite a little history and say, well we'll do this and we'll do that.

That's what's relevant about this Bill. You're ashamed of the Bill and you should be — you're repealing it.

I mean why bother repealing it? I don't think it ever was finally proclaimed. Why are you taking it off the books?

**An Hon. Member:** — Because it was right in the original Bill.

**Mr. Devine:** — Why are you taking it off?

**An Hon. Member:** — Because it was right in the original Bill.

**Mr. Devine:** — Listen to the member from Swift Current. He must be really sore about this, jumping up and down and saying, ho, ho, listen to the answer.

Mr. Chairman, isn't that interesting? Why is this Bill before the House? Why? Because you said it would be an embarrassment. If we didn't have to use it, we'll pull it back, we'll just use it as a what, what was it? What do you call that? Blackmail or . . . what's the word for the Bill that was there that you had to repeal? What did you call that? What did you tell your co-op members it was called? What was it supposed to be?

And . . . (inaudible) . . . did you go to all your co-op membership and you say, this Bill is going to be called — what? — the co-op blackmail Bill? And I tell you what, if we don't use it we'll repeal it. Right, we'll get it off the books so it'll never be recorded. It's sort of like the NDP deals with their version of history.

Well that's why the minister doesn't want to prolong this. He doesn't want to talk about the financing; he's embarrassed by the Bill — which he should be — co-op members are embarrassed by the Bill.

So I'd ask the member — maybe I'll just maybe wrap this up as quickly as possible — why are you repealing the Bill? Why is this Act necessary?

**Hon. Mr. Shillington:** — Because a satisfactory arrangement was entered into between the parties and the Bill is no longer necessary. The repeal of the Bill is part of the agreement which I've described as a satisfactory arrangement.

**Mr. Devine:** — The minister described why all the parties thought it was a good idea to include in this agreement the repealing of the Bill. What was so negative about the original Bill that you had to include that it would be repealed? Could you describe what motivated people to include in that original Bill the repealing of the Bill? Because that's rather unusual.

Could you tell me why co-op members were so upset with the original Bill that they would demand that you repeal it? Or was this just a carrot you put up and said: now if you behave, you do as we like, we'll just repeal the Bill so it isn't on the record? Could you elaborate on some of your rationale for that, please?

**Hon. Mr. Shillington:** — The agreement to repeal the Bill was agreed to by the parties because it is no longer necessary. Satisfactory arrangements have been entered into and the threat of bankruptcy — insufficient cash flow is a better way to phrase it — threat of an insufficient cash flow is now patched and it's no longer necessary. That's why it was agreed to repeal it.

**Mr. Devine:** — Mr. Minister, can you then elaborate what the original Bill's purpose was and how it was used? If we're repealing that Bill, if this Act repeals it, could you describe the purpose of the original Bill and generally how the co-op members felt about it?

**Hon. Mr. Shillington:** — The member, once again, is really straining at the boundary of what's relevant to this Bill. That has been described to the member repeatedly. We have said that the original project faced a threat of an insufficient cash flow. The Bill was introduced to . . . the possible trusteeship was entered into to handle that problem. A satisfactory arrangement was entered into between the federal government, the Federated Co-op, and the provincial government, to deal with the financial arrangements. The new financial arrangements are in place; the Bill's not necessary.

(1130)

**Mr. Devine:** — Minister, could you, for the House, describe what you particularly mean by the trusteeship characteristic of the Bill that we're about to repeal. What does that mean?

**Hon. Mr. Shillington:** — Yes, it means pretty much what it says. I'm reluctant to be drawn into an exhaustive discussion of

the Bill that we're repealing. It is there to be read by the member. It's not, strictly speaking, a subject under discussion now. The original Bill would have placed the project under a general trusteeship, and it's no longer necessary; we're repealing it. I'm not sure what the member needs.

**Mr. Devine:** — Just clarification, Mr. Minister. The general trusteeship, could you just briefly describe to the average person, the ordinary Saskatchewan person, what that meant. General trusteeship in the Bill that we're repealing means . . . What does that mean in real terms? Or do you want me to describe it, or you can describe it. What does that mean, that you would have . . . What kind of power did that give you over the Federated Co-op and the upgrader?

**Hon. Mr. Shillington:** — In ordinary parlance, it gave us the ability to take control of the project.

**Mr. Devine:** — So in ordinary terms, what you did is to threaten take-over — take over the upgrader from Federated Co-op. And you were not . . . so what it says is that you were not able to sit down with co-op members and the federal government and negotiate a financial arrangement. You failed at that. You sat down and you tried to negotiate a fair arrangement between the co-op members and the federal government and you failed.

And then what you did is you said, all right, if you can't have it your way, you'll introduce a piece of legislation that says the NDP government will take over your operation, Mr. Co-op, unless you do it the way we want. I just want that on the record.

You failed in your negotiations with the federal government and with the Co-op. And because you failed . . . because the Co-op kept saying look, you're making enough money; you've got royalties; you've got your hands in both sides of it; you're double-dipping; you don't need to do this; we can work out an arrangement.

You failed in those discussions, so then you come back to the Legislative Assembly and you introduced a Bill that would take over the Co-op operation of the upgrader, which essentially says . . . and that would have the major implications to the refinery, the Co-op refinery, because they're linked just like this. And you brought in a Bill and passed it, saying: Mr. Co-op members, if you don't do exactly as we say, we are going to take over your operation.

Now that's what the Bill did. Because you failed to be able to cooperate with the co-op movement — and you didn't; you failed miserably. You couldn't get an arrangement; you couldn't get negotiations; you couldn't get an agreement. So you had to use this building to bring in legislation that forced the Co-op to do what you wanted. Now isn't that exactly what the Bill did that we're going to repeal today? Wasn't it that? That threat of, as you said, take over the Co-op grader? Wasn't that the threat that we're repealing today?

**Hon. Mr. Shillington:** — No.

**Mr. Devine:** — Or would the minister care to describe what the Bill did that we're going to repeal? Or does he just want to just . . . I'm just asking for an explanation of what the Bill did that we're repealing. You started to get into it, and I asked you in ordinary terms to describe it. . . . (inaudible interjection) . . . Yes, and I said . . . and you did that. The reasons for that Bill were that you failed to reach an agreement and you couldn't reach an agreement. You were incapable of reaching an agreement with the Co-op and the federal government.

So what did you do? You brought in this Bill that gave you the power to take them over. And that's the one we're repealing today. I'm just . . . just for the sake of posterity and the record, isn't that why you brought in the Bill? Because you failed to reach an agreement? You were incapable of reaching an agreement with Federated Co-op and the federal government.

**Hon. Mr. Shillington:** — The member places his own interpretation on it. You may do so. I'm not going to get into a debate with the member about a Bill which was passed last year. What we've said and I think all that's necessary to say is, the Bill has now become unnecessary; we're repealing it. It was part of the agreement and has been explained to the member.

I'm really not sure that an exhaustive debate about last year's Bill is relevant to this Bill. Suffice it to say the Bill is now unnecessary. The motivation behind its passing seemed to me to be not relevant now.

**Mr. Devine:** — That's fair enough, Mr. Speaker, or Mr. Chairman. I wanted to put on the record that the motivation for the original Bill was a result of the NDP's inability to reach an agreement with the co-op movement, and they had to use this terribly Draconian piece of legislation. And now they're forced to repeal it, which is an embarrassment. It's so embarrassing that they won't talk about it. They won't acknowledge the history. And in fact they won't even talk about the financial wherewithal associated with the upgrader because they know the Co-op had valid arguments all along. I have no further questions, Mr. Chair.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

**Hon. Mr. Shillington:** — I move the committee report the Bill without amendment. Before taking my seat I want to thank the official for his attendance. This may sound a little strange in view of the acrimonious tone of some of the discussions, but I also want to thank members opposite for their participation in the debate and their questions.

The committee agreed to report the Bill.

### THIRD READINGS

#### Bill No. 8 — An Act to repeal The NewGrade Energy Inc. Protection Act

**Hon. Mr. Shillington:** — I move this Bill be now read a third time and passed under its title.

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

#### COMMITTEE OF FINANCE

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

**The Chair:** — I would ask the minister to introduce the officials who have joined us here today.

**Hon. Mr. Lautermilch:** — Thank you very much, Mr. Chairman. I'd like to introduce to my right, Brian Kaukinen, who is the president of the Water Corporation. Behind me is Wayne Phillips, the vice president of finance, and Mr. Wayne Dybvig, vice president of water resource management, to my far right.

#### Item 1

**Mr. Goohsen:** — Thank you, Mr. Chairman. Good morning, Minister, and welcome to your officials. I think you have an ironic kind of a situation being in charge of water in Saskatchewan. You get a spring like we have here in 1995, water that is referred to as the Red Sea in some parts of Saskatchewan, and of course in other parts of Saskatchewan, where the Department of Agriculture is telling us that conditions are below normal and even only fair in terms of moisture to get a crop started.

So you have an ironic twist here of the differences that we have within a province like Saskatchewan. The irony being that if we could just get a pipeline to bring some of the water from Melfort down to south-west Saskatchewan, we'd have an awful lot of happy folks. They could use a lot less and of course the people in the south-west could use a lot more.

The member from Swift Current, of course, I think is agreeing that we could definitely use a little water in the south-west. I'm not sure how he's suggesting we convey it but nevertheless there are, Minister, solutions to some of these problems. And the solution I'm going to point out to you — and I'm sure you already know this — is not to try to fight off a flood in the middle of the flood and it's not to try to fight off a drought in the middle of a drought.

The solution to these problems is long-term planning — long-term planning where you get your ducks in line and you do the job that needs to be done ahead of time. In areas where you're prone to flooding, you put in drainage systems and you put in dyking and you do the work necessary to control a flood before it happens.

The Americans to the south of us have spent hundreds of millions of dollars fortifying their country against nature.

They've been successful in many, many ways and yet we do see that there still are a lot of disasters down there; but they've worked hard at it. They've done it through their military, and of course we don't have that option here in Saskatchewan. We don't have a military budget that allows us, for example, to claim that our river system is so important to the national security that we can spend defence dollars dredging our river systems and providing canals and drainage for the eastern part of the province.

However, we do have a provincial budget and we do have a federal government that works through PFRA (Prairie Farm Rehabilitation Administration) and other organizations like that.

(1145)

So, Minister, we can't deal with what we don't have available to us, but we can deal with what is real. What is real is that a little forward planning over the last three years could have prevented much of the problems we have in the eastern part of our province today. Those kinds of projects that could have alleviated the flooding now can't be done in the middle of the flood. And you can't realistically be expected to call in the water bombers and load them up with gravel and start graveling roads in the middle of this great disaster.

Now maybe it's not such a bad idea to try to get some gravel on, but I'm sure that the concept of using the water bombers probably won't work. So you have to work ahead of time. And the member from the area over most affected on Highway No. 19 is agreeing that probably we are in a desperate enough situation that we might even want to try to use that approach and try to get some gravel on the highways.

But realistically, realistically you should have forward planned, Minister, and now is the time to start to plan for the next flood. You can see where the water levels are. And I'm going to suggest to you that you should be doing that right now.

More realistically though, we have the opposite contrast that I want to talk to you for a minute about, and that is the south-west part of Saskatchewan where there is not an over-abundance of water; in fact there is a shortage. We have in our community where I live dugouts that are not full, dugouts that haven't filled up. As a result there is no spring run-off this year enough to fill those dugouts up for our water supply for the cattle in that area.

We have a situation that you are well aware of, which is the Battle Creek in the extreme south-west corner of this province. People have lobbied governments for 40 and 50 years down in that corner of the province to try to get a very small, insignificant, very minimal-cost dam put into a small river-creek-type basin that would so greatly alleviate a lot of the drought problems in that area.

The total cost of the project, 3 or \$4 million, would be sort of like you having a \$5 bill in your pocket in comparison to the provincial and federal budgets. The federal government had

agreed to and had put money in place through the PFRA; I took the time to phone them to talk to them about this. Their money was allocated for that project; it was in place. The provincial government money was in place. And then you people came to power and chose to take that money and spend it somewhere else. As a result, the PFRA took their share of the money and spent it somewhere else because they didn't want to waste it and have it not used.

So you've deliberately stopped a project in south-west Saskatchewan that should have been built three years ago. Now as luck would have it, while the same snowstorms that are causing the flooding in the eastern part of the province initially started in Montana and formed up in a low pressure system that came through the south-west corner of the province and dumped a huge amount of snow a couple of weeks back, that snowfall of course, because the ground is so warm around there, melted very fast and there was a run-off in that very southern part of the Cypress Hills.

That run-off went straight down through that Battle Creek in one swift flow and is gone — gone for ever to Canadians because it went straight across the border to the Americans. They didn't get any use out of it either because it just whipped right on through.

Nobody got any use out of that run-off because there wasn't a small little 3 or \$4 million dam there to stop that water that could've been used all summer long to irrigate the alfalfa fields out in south-west Saskatchewan. A little project that the Americans themselves have come up to meetings in south-west Saskatchewan and said, this is a great idea; we support you; we encourage you to do it because we don't have a dam in place that will control that water or make it useful. And it will help the flood situation all the way through the chain of rivers and canals right down to the Mississippi and wherever it goes out into the south part of the United States.

The entire length of the continent . . . the entire length of the country of the United States watches that water go running through and causes them nothing but trouble in flood situations. And a simple little dam at the border of Saskatchewan could help a part of that flooding problem that they have.

It would give us the use of the water that the Americans themselves are saying, we do want 50 per cent of because that's our international agreement. But that 50 per cent they say, we would be much happier to have in a regulated flow later on in the summer when ordinarily, in south-west Saskatchewan in the middle of July, the rivers go dry and even the fish have to carry a water bucket in order to get a drink. It's almost that bad; it's not quite that bad. But realistically, having water controlled in a nice flow that is regulated is better for everybody.

And the former member for Shaunavon will know that and understand that because he has lived there and he knows how important it is to have a steady, controlled water source. It not only makes the boating a little better to have water, but it's an awful lot better for your fish supplies and things like that; for

recreation, as the member is pointing out. You can't have a good, healthy fish stock if you have water beds that are drying up and all you have is mud holes left in the summertime.

So, Minister, the people in south-west Saskatchewan have gotten together and they've held some meetings recently, again in the hopes that you would reconsider your position, in the hopes that you would have some humanity, some ordinary common decency for people and do what's fair, irregardless of the politics of this province.

As near and dear as that is to your hearts in this period of time, those people are hopeful that you can overlook the partisan political nature of the beast that runs this building and go out into the country and do something that would be useful for the province, constructive for the province, and helpful even to your government, although you don't presently having a sitting member in that particular area.

There would be a tax base that would be built up as a result of this small little project. There would be, certainly, water that would be used for irrigation. That's the main part of this thing — you would control the flows of your water and the use of the water. Recreation, I've mentioned, obviously would be a spin-off effect.

And with all of the dynamic things, Minister, that have been happening in our area, it would be so important to have a little bit of a water reservoir extra in that area considering the tourism that we're going to generate as a result of the tyrannosaurus rex and the discoveries around that in that Eastend valley and up the Chimney valley and all of those other areas that are around Eastend, and over to the west towards this water basin. And if you're going to develop tourism, you have to have a variety, a diversification of activities for people, Minister.

So it would be ultimately a benefit for you as a government. You would have a tax base; you'd have revenue. Three or \$4 million spent at putting this little dam project in — you wouldn't even have to pay for it, not the most of it. You might have to put up a million-or-two dollars — now that's like having a \$2 bill in your pocket, as a comparison, or mine, in the scheme of things of what our wages are compared to a provincial or a federal budget.

The truth of the matter is that PFRA have told me on the telephone . . . I don't have this in writing so I'm not going to have anybody hold me responsible for what they said, but I think they're genuine; I take them at face value as being honest with me on the phone.

They said that there is another budget, another year, for the federal government and federal departments. PFRA will have another budget. Even though they spent their \$2 million commitment to that project somewhere else, there will be another budget in another year and they are not opposed to dedicating some of that budget to a project like this because they say it is very important and they recognize that. The

people, the officials in that department are fully in agreement that there should be something done in terms of putting that dam into place — and the quicker, the better.

Now they've said that for years, and they maintain that and they haven't flip-flopped or changed or diversified their approach one little bit. They say this is a good project that would work. It would help people. It would help for irrigation. It would help for recreation. It would help in every possible way. And there is no one, Minister, no one that is against this project in the whole of the south-west corner of the province.

I hear there are some environmental concerns from a group that the federal government itself has set up. That, Minister, is just plain foolishness to listen to that kind of argument because the wildlife in south-west Saskatchewan needs a drink far ahead of anything else. We need water even for the environmental things that exist in south-west Saskatchewan.

When farmers started building dugouts, for example, in the great south-west as far back as 40 and 50 years ago — I guess you'd have to go back to the PFRA developing and becoming an entity back in the Dirty Thirties — since that time water has been collected by farmers and ranchers through the construction of dugouts and small dams and things like that on their own initiative, on their own farms, assisted by the federal program; they've done that.

Wildlife populations have sky-rocketed in numbers as a result of the fact that they've got water. You can't have anything that lives without water, and that includes owls or deer or antelope or anything else.

So our point has been argued and argued, Minister, with each and every minister that has come through this House over the years. And I've become the vehicle for that argument to be presented to you again here.

Is there any possibility, having considered the fact that now we've got 163 names on a petition that we presented to you the other morning . . . and you will say well, that's not so very many people in the province of Saskatchewan. But I want you to understand, Minister, that in south-west Saskatchewan, in a community like Consul which is close to Vidora, 163 people out of that area signing a petition probably amounts to 75 per cent of the entire population. Everybody that was concerned with this project signed this petition. It is almost a unanimous consent of those people for you to take some action on their behalf.

I've talked to the landowner who owns the property that would be flooded. He jokingly refers to himself as being one of those people that might have the name like Tetzlaff. Only he says it's a reverse kind of a feeling because he himself says that he knows that this project is good, it is necessary, and he encourages it and supports it.

Now I've talked to these people myself, so I know for a fact this is what they're saying. All they want is to have the piece of land

that they have replaced with another piece of land that also could be irrigated. Just a replacement of the same value. They're not asking to become millionaires, they're not asking for the moon, and they're not saying that in any way, shape, or form that they would be against the project. Just treat them fair.

How much better could you have it to try to do a project than to have everybody concerned with a project in favour of it and supporting it? How could you politically not want to do something like that for the good of a community and for the good of the province?

There are so many positive things about this project, I just am overwhelmed with trying to understand why this hasn't been done. And of course the only understanding that there is in this for why it's not done is the sheer numbers of people. There aren't many votes for any government in south-west Saskatchewan, so nobody gives them too much of a look because 160 people won't affect the next election probably very much.

Well let's get away from the politics of it, Minister. Let's get away from that idea because there's lots more at stake here than a few numbers of people that might show some effect in the next election. Let's take a look at the spin-off for the community, the spin-off for the province, and the development that can come as a result of putting that one little project in a very key and critical area.

Here is something, Minister, that you can do starting right now. You could go down there, because it's dry enough now, you could start equipment working. You could create some jobs. You could probably convince the PFRA to put up their \$2 million again. You'd likely only have to put up a million or a million and a half.

I know the municipality will provide you with a road to get your equipment there. They're quite anxious to be a part of this project, and they would be quite happy to cooperate with you. They're not a rich municipality, but I know they'll give you every ounce of strength they've got in order to get this project going.

(1200)

So I say simply to you, Minister, here's a project you could start that would do a lot of good for the province and a lot of good for yourself because you yourself then could take credit for having done something positive when it could be done. And then we'll talk about the rest of the flooding and that sort of thing in a few more minutes because I want to give you an opportunity to respond to this very important issue and this very important question.

Will you, Minister, reconsider your position and go ahead with this project in the Battle Creek of south-west Saskatchewan?

**Hon. Mr. Lautermilch:** — Thank you very much, and I want to thank the member from Maple Creek for his comments and

for his concerns with respect to the Battle Creek initiative.

I want to begin by saying that I am hoping that the member from Maple Creek would not want to couch this as being a decision based on politics, because it certainly isn't. We have a responsibility as government to govern for all of the people, whether we have a sitting member in an area or whether we don't. The corporation has a mandate to manage water across the province, whether it be in the East, the West, the South, the North, or in the centre of the province. And we base our decisions on a number of criteria, one of them being cost-benefit analysis that we do on every project. Because I think it's important that there be some economic spin-off from projects, whether it be through water management or whether it be resource development or any other area.

And I want to say as well that the member from Maple Creek, I'm afraid, trivializes the amount that it would cost for this kind of a project, suggesting that 2, 3, or \$4 million is pocket change for the government. Well it may have been at one time, pocket change for government. In the previous administration of which was governed by his political party, it was quite clear that 2 to 3 to \$4 million was pocket change.

And I regret to say that as a matter of fact, hundreds of millions of dollars became pocket change. Many decisions were made, in my opinion, for straight political reasons without the benefit of an economic analysis.

Which leaves us to where we're at today, after three and a half years, almost four years now, of struggle and sacrifice by the people of Saskatchewan, we've been able to balance budgets and we've been able to cease the ongoing additions to our provincial debt which is in the neighbourhood of some \$15 billion. We're in a position now where we're able to deliver surplus budgets so that we can look at reduction in taxes; we can look at enhancement of programs.

And I want to say that the 840 million a year that we spend on interest is fairly glaring when you compare it to what we may be able to do if we had that 840 million that we're spending on interest alone. How many of these kinds of projects could be funded totally without provincial share or without federal share; 840 million represents an awful lot of dams.

And I mean if we're looking at \$4 million for the Battle Creek as an example, we could do 210 of these as I calculated. We could have these kinds of projects all over the province. But that's not our option, Mr. Chairman. We have the third biggest expenditure in this province, being that of servicing the debt, built by his government, by his political party in the 1980s. And that's a reality that we deal with.

I want to say, Mr. Chairman, that we are dealing in a very prudent way with the resources that are available to us. We have cut the cost of government internally. We've been very prudent with respect to capital expenditures because we know the priority needs to be getting our government's fiscal house in order.

And the member talks about humanity and common decency, and I think that's what we're trying to instil into this government. In terms of our expenditures and our programs, we've attempted to do and direct tax reductions to the lower income people in this province. And I think that speaks very much for what the nature of this government is all about.

And I want to say to the member that it would be, I guess, a very positive thing if we had the money to fund projects such as the Battle Creek reservoir, but we don't have the capital. We don't have the money.

And I want to suggest to him, although the petition that was presented, I've certainly recognized that many people in that area would like to see this project completed. But I want to indicate to the member from Maple Creek that it is not unanimous, in terms of agreement, that this would be a totally positive initiative. The Canadian Wildlife Service of Environment Canada have some major concerns and those have been voiced. And the member might be aware of that. But I think it's fair to say that good water management is a goal of the corporation and the officials who work in Sask Water Corp.

He indicates that the Americans are very much committed to this project. And I want to remind the member from Maple Creek that the commitment on this \$4 million project only extended to an expenditure by the Americans of about \$80,000 which, proportional to the \$4 million expenditure, is really pocket change. And so I would suggest that the commitment from the Americans is not that overwhelming.

But the bottom line, Mr. Chairman, is that we will continue to operate this corporation. This government will continue to operate this corporation in a very responsible manner. We will embark on capital projects as we can afford them and when we can afford them. And we are very, very cognizant of the desire by many in the Battle Creek area to have this project proceed.

But I want, just in closing, to say to the member that it's not by any stretch unanimous, in terms of agreement, that this project would be favourable. We've done a cost-benefit analysis of the program and frankly it doesn't meet our criteria when it's stacked up against other expenditures and other initiatives.

**Mr. Goohsen:** — Thank you, Mr. Chairman. Well, Minister, I guess the discussion we're having here today will prove that this is a forum of debate. And in this forum of debate you will take one side and I will take the other side, and we will try to make our points and let the public judge who's right and who's wrong.

And so in the spirit of debate, I will rebut your observations and contentions. Because you're wrong. And I believe that as a humanitarian, when I prove you to be wrong and if I do that in a reasonable and non-adversarial manner, that you will understand the error of your thinking and change your position. So I will take your points, point by point.

You claim that the environmental branch of the federal

government has some concerns in the area, and you're right. I have read the report. I have read their concerns, and I've also read all of the report of the analysis done in terms of the environmental impact study.

The final conclusions of the study are this, in my words, but they say that in exactly this. That every negative factor that has been brought up can be, is able to be, and will be, completely, totally, and absolutely offset; that there will be no negative impact whatsoever from this project to the environment if certain things are done. Each of those things not only can be done; they can be done easily and relatively inexpensively.

And so that is the final conclusion of that report, which I suggest, sir, you should read. Because it is very interesting to note that the only opposition that anyone could find to this report had to come from an organization that the federal government set up, funded totally, and were specifically designated to do the job of finding fault. That was their mandate. Under the federal government's money put in their hands, given that job, and they were told, this is your mandate; go out there and find any problems you can possibly find.

Now believe me, Minister, if you get paid a year's salary and your job is to go out and find fault with a project, you will find fault. I could do that. Everybody that would be hired for a job like that would do it, could do it, and would put it in writing and offer it as the negative position. That was done with federal government money. Somebody was hired to go out there and find fault because nobody in the community, nobody in the area, could be found that would find fault.

You see, there were people that wanted to stop this project at the government level for political reasons, and this is a fact of life. They wanted to find fault. They even tried to convince the landowner that he should oppose it. They offered him some actual . . . some incentives if he would find fault so they could use him as a crutch to try to stop the project. He refused. The community refused to find fault. The wildlife wouldn't even cooperate because they were looking for a drink.

Minister, the reality of life is that a paid political arm of government is the only people that could find fault with this project. And in turn the people that did the environmental study, who were paid a salary to do that, to study all of the negative factors and all the positive factors and to come up with a report, said yes, these are the faults that could be found by someone who was hired to find fault and here's how those things can be offset.

They clearly outline how every negative aspect could be offset with consideration to the wildlife, with consideration to the grasses that grow there, with the consideration for the flowers that grow there. And in fact it got so silly — as I recall as I'm talking now, the report — it got so silly that these people that were paid to find fault found fault that there would be many, many grasses in the area that no longer have a habitat to grow, and that their numbers were getting low.

And the report clearly reveals that many of these grasses only grow in a milder climate, and that this particular area of Saskatchewan is the dividing line between the warmer climate and the colder climate and there's only a few of these kinds of plants that actually grow in that area to begin with — that mostly their habitat is south of the border in a warmer climate and there they grow in abundance.

And so it was grasping at straws by this group of people that were hired to find negative positions. They were grasping at straws to try to earn their wages. I don't fault them for doing that because that's what people who get paid are supposed to do, is to do a job. But it was clearly proven that this was not a reasonable excuse to not carry out the project.

So let's not get hung up on that, Minister. When you understand that they were paid to do a job, they did it. Other people were paid to do a job to offset these arguments, and they have also come up with a solution and they've done their job which was to find solutions to the problem.

The nice thing about it is that they are inexpensive solutions. They are solutions that can and will work for the environment. And with every other aspect of this project being positively viewed, there is no reason in the world why we shouldn't do that.

Now you have said that you couldn't do it because of financial problems. Well the fact of the matter is that I've taken the time to discuss this matter with people who were in charge of these projects, with the PFRA, with the provincial government officials who were in charge of doing the work — the bureaucrats, not the politicians — the people who were doing the work of actually getting the job done back in those days. They said, quite frankly, that the money had been allocated.

The funds had been located and they had been allocated and they were basically set aside to be used for this project, both federally and provincially. Federally through the PFRA; provincially the monies were available and it was a political choice to take those monies out of that allocation and use them elsewhere. That's what those bureaucrats have told us and it happens to be that I believe them.

Now, Minister, you might still say, well of course we came into power and we found out we needed that money somewhere else more desperately. And then we could get into the whole political argument about interest rates on debt and all that kind of thing. And that really doesn't wash with the people of Saskatchewan, Minister, any more because, quite factually, every jurisdiction of government at the provincial and federal levels in Canada has got debt and deficit problems.

Every province has tried to win the support of the voters by coming up with a balanced budget, just as you folks have done in this province. Even Newfoundland has found a way to balance their budget, and they don't even have any fish any more, which only proves to the people of the country that you can come up with a balanced budget; it's what you come up

with as a result of that budget that really will matter in the long run.

The result of not paying people, of not getting jobs created, the result of not doing projects — that's the result that will matter.

Then we could go into the issue of why are you paying \$800 million in interest when you were only paying \$700 million back in 1991? How come you're paying 8 now when interest rates have fallen from 12 per cent down to 4 and 5 per cent a year back? Now of course they're back to eight point something at the federal level.

(1215)

Why is it that you weren't able to capitalize on those falling interest rates at the provincial level? What kind of mathematicians are you people? I mean you're going to sit here and cry to us about how terrible it is to have to pay all this money, and you don't even have the good sense to go out and bargain for better interest rates. I mean give me a break.

The last time you went shopping for money, you went to New York and Toronto instead of offering a bond issue to Saskatchewan people, at a time when they were looking for a place to invest their money.

Now, my friend, if you want to talk about mismanagement of money as being the problem, I'll show the people how you mismanage money in Saskatchewan today when you don't put in a dam that can create jobs immediately and that can create a tax base for the future.

How do you plan on paying for your bills? Let me put this in terms of something you might even understand, Minister. If you're a farmer and you decide to buy another quarter section of land, and you pay \$50,000 for that quarter of land — and you don't have \$50,000 — where do you get the money? You go to your banker. If your banker believes that you have enough collateral and assets and all that, he'll borrow you \$50,000.

You will plant a crop on that land. Where do you intend on getting both the principal and the interest from to pay for that loan? You expect to get that out of the crops that you grow. And you will if all of the things that are natural in the scheme of things accomplish that; if you've done your mathematics and not overpaid for the land. And the banker, I'm sure, won't loan you the money if you haven't done a good job of figuring out how you're going to repay the loan. Especially these days after what they went through in the late '80s and early '90s.

So, Minister, it applies exactly the same for a province and for the federal government as well. You borrow money to invest in things that will return you something in the future, a return that will pay for the principal and the interest. That's not uncommon philosophy in the scheme of things. Everybody that buys a home ends up with a mortgage. That's the way we do things in our society. That's how it works.

So it's no great crime to borrow some money to buy an investment that's going to return you something in the future. On your quarter of land that I allude to, you're going to grow a crop. Maybe you'll be lucky enough to be in a canola area and you'll get \$9 a bushel and you can pay back a lot of the principal right away, quick. On the other hand, if you're in our corner of the province, you may have to grow wheat and you may have to amortize that over 20 years instead of 10.

Nevertheless, that's a plan — a futuristic plan of development and growth. It's how you build a farm bigger and make it more prosperous so your son or daughter can stay at home and farm in the family operation. It's how a family of people in a province, a community of folks in a province, can look forward to building and developing a province so that it has a tax base and a future where the population can grow and the prosperity of the province can grow.

Minister, this is not such phenomenal information. It's the way things work very nicely in a lot of jurisdictions in the free world. And there's no reason why it can't work in Saskatchewan. In fact it has to be put to work, or we will stagnate at a million less people for the next hundred years when all kinds of folks in the rest of the world are looking at Saskatchewan and saying we should, at this point in history, have a population of 3 million people.

Why don't we have that? Because we haven't had futuristic plans enough from you people to put in a simple thing like a little dam.

Let's go into your argument one step further. You allude to the Americans only putting up \$80,000 and you say that's chicken-feed in this project. That is not chicken-feed, Minister. It's a significant amount because remember this, you play with figures and you play with them all wrong.

Sure the project might cost 4 million. That's a top figure on what I read in the reports. It was something like three point something. But let's use the 4; that's fine and dandy. The reality was that the federal government was going to put up \$2 million and the provincial government was only really going to put up 1.5 million or thereabouts.

Now we'll look up the figures in the report, and you will have that as well. But the reality was that your portion was only to be 1.5 million, not the whole 4 million. Most of that was being . . . the biggest share was being put up by PFRA through federal government money; through that arm of assistance to western Canada. A very good program; one that has worked well for western Canadian farmers and ranchers over the years.

Now out of 1.5 million you say that \$80,000 is chicken-feed that the Americans would put up. Why would you call that chicken-feed when their only benefit that they've got is really flood control? They already have, by international law, a guarantee that we're going to give them 50 per cent of the water.

They want that water controlled and they want it dribbled down there a little at a time instead of all coming in a flood. And for that they were willing to give you \$80,000 which, out of 1.5 million, is a pretty significant figure. It's probably 7 or 8 per cent; I didn't do the mathematics but I'm sure you will to correct me.

But look at it this way. You say, well that's not a whole bunch, 7 or 8 per cent or 9, but the reality is, it is a big amount of money because you said you can't afford 1.5 million because it's too big of an amount of money to spend out of a provincial budget.

Well, my friend, looking at that 80,000 compared to the size of the project in a percentage term, and then looking at the total cost of the government share in terms of the provincial budget, you're looking at that project costing the provincial government not 10 per cent of the provincial budget — not even 1 per cent of the provincial budget. Get your calculator out and figure it out. It's like point zero-something per cent of the provincial budget, and then you take the 80,000 off that yet.

So you really have got, in terms of provincial dollars involved in this little project, an insignificant amount of money if you compare it to the whole economy of our province.

Then if you take a look at the report and check out the economic spin-offs, and the futuristic benefits . . . and this is where I really seriously wonder if you've read this report or studied it or had any of your officials even look at it, because you're making implications that there is some doubt that in the future this project would pay for itself or generate economic activity that would make it worthwhile.

That tells me you could not have studied this. You could not have read the report because it clearly states in that report that this is an absolute boon for the province as a whole — not just for the area but mostly for the area — but not just for them. It's a tax-base revenue generating project that would help all of the province.

It starts off with a few jobs in the area while you construct it. It goes on into the irrigation potential of providing a feed supply in a drought area. And you can't realistically say well look, we got all this rain up in the Yorkton area and the Melville area and they're all super wet, we'll be able to grow lots of feed. But you can't afford to truck feed from there all the way down to south-west Saskatchewan and make money doing that. The costs of trucking will break you.

We've put this all through the test of the droughts in the dirty '80s. I can tell you about the dust storms and the clouds of dirt that went flying through the southern half of this province in the '80s, and all the problems that there were associated with that. But there never was money to be made trucking feed out of northern Saskatchewan to southern Saskatchewan in terms of anything other than to maintain the herd and keep them alive so that you would have a breeding herd for the future. It was always, always not cost effective to do that. The most cost-

effective way of preserving a breeding herd in a drought area is to have an irrigation project that grows some feed for an emergency use in that area where you don't have these huge transportation costs.

So this project, just with the irrigation potential alone to provide extra feed for that area in those bad years, would have enough economic spin-off effect to make the project worthwhile. But we don't just have that, Minister. And you've missed the boat completely when you never considered the fact that there is the economic spin-off of the recreation that goes with the tourist boom that is going to come to south-west Saskatchewan.

There is absolutely overwhelming numbers being talked about, about people's interests throughout the world who want to come to south-west Saskatchewan to check out our new dinosaur finds and the potentials there. The Scotty project has generated public meetings, Minister. And I'm sure you may have heard about this but just in case you haven't, they've had public meetings down in that area that have attracted all kinds of people from around the south-west. Because everybody from the outside, as well as locally, is getting stories about all of the tourists that potentially are coming.

In fact there's even a genuine concern now there may not even be enough room to accommodate them all. We might not even have enough hotel space or enough restaurant space to be able to seriously give these people a good enough time so that they will go home with a genuine good feeling and want to say to their friends, we had such a good time there, you should go there as well; or we're going to come back again. And that's being dealt with.

So, Minister, look at the hundreds of thousands of dollars that can be generated in everything that you sell down there — everything — to the tourists; comes back to you and the province through tax dollars. You tax everything — hotel rooms — everything's got some spin-off tax effect. All the food that people eat, all the gas they burn up, all of the transportation that they use to come in and out, all of that generates activity economically for the province. You, in your general fund, end up having a provincial benefit. It'll more than pay this one and a half million dollars worth of investment in a small little dam.

It is such a good project that I am absolutely dumbfounded that you haven't latched onto it for your own and claim it as your own, and go down there and build it and actually get on a big grader and start pushing dirt yourself, and have your picture taken and put it on the front page of the paper and say, this is my deal; I'm going for it to build for Saskatchewan.

If I were you, Minister, I'd be down there doing this. This is such a good deal for Saskatchewan that you shouldn't even consider how good it is for the people in the south-west. But it is great for them, and they know it. Everybody agrees.

So, Minister, it's not an economic problem. I have shown you clearly how you can finance it; I've shown you clearly how

your money will come back through the project. I've shown you clearly that the American investment is not only a good investment but it is a big investment in terms of what they're getting out of it. Why not take the money and run with it and do the job?

Minister, we have offset every negative idea that has come up on this project with a positive result. It can all be done. The people in your departments, the people in the PFRA departments, and the people of south-west Saskatchewan, will work together. They have committed for this; they have all committed to this. And they've all said we'll do it together and we'll make it happen.

All we wait for is for you to have the courage to climb onto that bulldozer and start pushing dirt. I could help you. I really could. Maybe you don't know how to get on this thing without stubbing your toe. I can show you how to get on; I'll even show you how to run it. Minister, it awaits only your decision to have this project go ahead for the people of Saskatchewan.

Minister, I know that I get a little bit exercised about this issue, and my colleagues are going to poke a little fun at me here because I get so keyed up about things that I think are good for south-west Saskatchewan, but I just can't stop talking about this project as being good for the people of our province.

It is genuinely a natural. It is just unbelievable that it hasn't been done before. And I can't believe that you would sit there, looking at going into an election, looking at ways to try to make your government look prosperous and meaningful and to have a history in the history books as having accomplished something genuinely good — I can't see how you could pass up an opportunity like this.

I mean do you really want to go down in the history books, Minister, as the guys who managed to bring gambling and stuff like that to the province without something to offset that in the history books as genuinely natural and good? Something like putting water where it's needed in a desert; can't possibly do anything but win with that kind of an approach.

Now, Minister, in the spirit of the debate, you have also indicated that things are worse here economically than they are elsewhere. Well I just want to remind you, as one last point on this issue, that that should not be a stumbling block for you. Even the great province of Alberta has a debt; they have a tremendous debt. You don't need to feel sorry about investing money if you're investing it for the right thing.

I would seriously quarrel with you if you took provincial money and bought all of the members of your caucus a trip to Hawaii; I would seriously question the wisdom of spending money and borrowing money to do that. Everybody else would and you wouldn't do it I know, because you know very well you'd never get away with that. But if you're investing money in something that can generate income in the future, then you can't lose.

Minister, I've given you an alternative to each one of your arguments against building the dam and I want to know what you think about my position with regards to this project.

**Hon. Mr. Lautermilch:** — Well, Mr. Chairman, let me begin by saying to the member from Maple Creek there is no mistaking his enthusiasm for this project and I guess I have to commend him on his commitment. There is certainly no grey areas. The member from Maple Creek in his mind believes that this is a project that makes economic sense, it makes social sense, and we can't mistake that enthusiasm for sure.

But I would want to say to the member from Maple Creek, were I his banker, I would be more than concerned with respect to the enthusiasm he shows without dealing with the reality and the economics of the project.

(1230)

The reviews that have been done by Water Corporation show that this project will deliver about 60 cents on the dollar in terms of benefit as it relates to investment. There are many projects around Saskatchewan that will deliver more than twice that benefit but aren't proceeding, simply because we don't have the cash. We don't have the capital to begin the investment to deliver the project.

And I would want to say to the member from Maple Creek that the approach that he takes to the expenditure of say \$4 million on this particular initiative I think is a direct parallel to the approach that the administration of 1980s, the Conservative administration of the 1980s, took when they made the decision to embark on the Rafferty-Alameda project.

I know the member wasn't elected. He was not sitting in this legislature when those decisions were made to invest that money that started in the neighbourhood of \$40 million and ended up costing the people of Saskatchewan in the neighbourhood of 250 per cent more when all was said and done.

But I think it was that kind of enthusiasm that was shown by the member from Estevan, without investigating the cost of mitigation, the environmental costs; it was made on a straight political basis. And was the enthusiasm there? The answer is, absolutely. Was the commitment by the former premier, the member from Estevan, there? The answer is, absolutely. But had that government done their homework? The answer is, quite clearly not.

A project that started at \$40 million ended up costing the people of Saskatchewan in the neighbourhood of \$130 million plus \$20 million that was put in through the Saskatchewan Power Corporation — total expenditure, provincially, of around \$150 million that started at 40.

And I want to say to the member from Maple Creek — and I don't believe it's my role to lecture — but I think we have to relive history. We have to relive history in order to understand

why we can't afford some of these projects. Goodness sakes, year after year after year the former administration delivered budgets that were not based on any kind of reality. Projections were absolutely, totally inaccurate. Every year, deficits. Every year, they went to our international bankers and borrowed tens and hundreds of millions and billions of dollars more to finance expenditures — based on enthusiasm but not based on common sense.

And so I want to say to the member for Maple Creek, I don't want to dwell on the debate as to whether or not the member's enthusiasm makes this a good project or doesn't make it a good project. I can only rely on the prioritization of the officials at Sask Water Corporation who do the cost/benefit analysis on each and every project that is invested in.

And these are professionals, people who for a living recommend, make suggestions to government, through the minister to cabinet. And I'm going to rely on the advice that they give me. And they tell me that this will return 60 cents on a dollar in terms of investment.

I've got to tell you, the member for Maple Creek, this is not the kind of a project that I in good conscience would even take to my banker and suggest that he invest in. Nor would I take this to cabinet; nor would I ask Treasury Board to review it, because there are other projects that I think will serve the people in the province in a more positive fashion.

And I want to say to the member from Maple Creek and to his colleague from Thunder Creek, if he had sat around the cabinet table and based . . . and input into the cabinet discussions was based on some common sense and some pragmatism and some understanding of how much the taxpayers of this province could afford to shell out every year and how much they could afford to borrow, we wouldn't be sitting here with \$840 million of debt that goes directly to the interest on the provincial deficit . . . or on the provincial debt.

And the member from Maple Creek asks how this built to a \$15 billion debt in his comments earlier on. I'm sure his banker — if he would sit down with his bank manager — will explain to him the magic of compound interest. And I think in actual fact your banker could explain that to you maybe better than anyone on this side of the House has been able to do, because you still don't understand how you got into that problem.

And he talks about the 3, \$4 million . . . you know, and I say to the member from Maple Creek who I know . . . or from Thunder Creek who I know wants to get into this debate, if you had been watching the expenditures of a million here and a million there and a million there around this province, and had been putting the damper on in the control on some of those expenditures, it wouldn't have amounted to hundreds of millions of dollars in debt.

But the problem was, you weren't watching the expenditures; the member from Maple Creek wasn't there to watch the expenditures; in fact, nobody was. And the end result is, \$840

million a year that we send to Zürich and London and New York, or wherever we borrow the money, wherever we had borrowed the money — and that's money that's gone, that can't build projects like the Battle Creek project that you so passionately and eloquently speak of.

The fact is, I say to all of the members in the official opposition, we have and will continue to take a responsible approach to every expenditure, whether it be a million dollars or whether it be a thousand dollars, because we believe that it's taxpayers' money and that we have a responsibility to spend it prudently, wisely, and prioritize our expenditures so that we invest their dollars in the best interests and in the long-term interests of the province.

And I just want to close by saying that we have developed a plan in this province for growing our economy and for jobs for our young people, but the first step to that was balancing the budgets, and we've done that. We've projected four balanced budgets in the coming years. And we believe quite clearly we can do that.

And we plan on paying down some of that \$15 billion debt that your political party was responsible for creating, because we would rather spend money on programs. We would rather spend money on reducing the tax level in this province than we would servicing the debt that you created. And that's we paid last year, \$540 million down on the provincial debt.

So I say to the member, as passionate as you speak about this project, the facts of the matter are we don't have the funding for it. We have other priorities and I'm hopeful at some point in time we can have another look at this program, and that we can have another look at this project, and at some time it may be on the top of the priority list.

But I only say to be fair to the member from Maple Creek, it's not on the top of our priority list now, and certainly we intend to continue to be prudent in our decision making and with respect to the expenditures on an annual basis.

**Mr. Swenson:** — Thank you, Mr. Chairman. I listened with great interest, Mr. Chairman, to the minister responsible for Sask Water. And it's very unfortunate, Mr. Chairman, that that member doesn't relate back to his roots around Woodrow, Saskatchewan a little better. I know that he moved into the North a long time ago and he's up in the green area around Prince Albert.

And he wasn't around in 1988 in some of those years when most of southern Saskatchewan, as my colleague said, turned into a desert. But if he would have remembered his roots he would have known that life in southern Saskatchewan is very difficult times because you don't have access to water.

And the member from Maple Creek is only bringing to this Assembly what generations of people in southern Saskatchewan have known to be a fact. That if you cannot have access to water, you do not have access to life. That you cannot sustain

agriculture, you cannot sustain communities, you cannot sustain a reasonable standard of living.

Sask Water was created in this province as a Crown corporation to deliver water to communities, to farmers, to agriculture, to industry, to take all of the departments of government that previously had worked sometimes at cross purposes with a mission statement to deliver one of the most essential parts of life to this province in an economic way, and that was the development of a Crown corporation headquartered out of Moose Jaw — Sask Water.

And the minister so glibly in his response to the member from Maple Creek says that you shouldn't be concerned about that; because you live in the South, the dry, hungry South, you shouldn't be concerned about water. And he writes it off.

Yet he has the gall to stand in this Assembly, he and his members, and defend a pipeline at Melfort that leaks like a sieve because it was built with union labour.

He wasn't worried about the debt or the province. He wasn't worried about the debt at all. He sat at the cabinet table and he said, we'll use union labour and we'll build this and we'll make sure the taxpayer pays another million and a half dollars. And when we're done we'll have it full of holes and it'll leak all over northern Saskatchewan. Did that bother him at the cabinet table? Did that bother him at the cabinet table? Not one bit.

I mean, that member, that minister, would stand here and have us believe, have us believe that his government was the only one that had ever had to face a deficit.

Well, Mr. Minister, in 1988 when this province was drying up and there wasn't a blade of grass in southern Saskatchewan, there was a government that cared and said that we will do things to make sure that farmers and communities and others can stay in their place and they'll be on the land; and they spent some money. Yes they did. And they protected people. And they didn't go around building pipelines, with union labour, that were full of holes and leaks.

Now, Mr. Minister, before you stand in the Assembly and lecture the member from Maple Creek about spending and the priorities of the previous government, you should tell your Finance minister, when she trundles off to New York to talk to those bankers that you speak so harshly about, to quit talking about Saskferco and the Meadow Lake pulp mill and all these wonderful things that you want to hitch your wagon to these days, that are returning such wonderful benefits to the province of Saskatchewan.

You see it's the same old story. You say one thing in here and you say something somewhere else. All of a sudden, some of those things that create jobs that you haven't been able to create in four years in government are returning a pretty nice investment.

You know, one day we're in here cutting up an upgrader and the

next day we're investing in it. And it goes on and on and on. One day we're in here cutting up a company that moved to this province from Toronto, and the next day we'll come in here and reasonably explain why we're going to give them another \$200 million.

I mean it just goes on and on, Minister. And then you say to the member from Maple Creek, when he asks on behalf of a whole bunch of people in southern Saskatchewan for a small amount of money that might be able to sustain agriculture and life and communities in that particular part of the province, you say to him, you're being unreasonable. You're being unreasonable to even come to this Assembly and ask about that; that I've got other priorities that are more important.

Well, Mr. Minister, that's why we in the official opposition sometimes question the way you run government and your priorities. I mean, how many more Melfort pipelines are we going to see in this province, under your leadership? From what I'm told there's going to be several and they're all going to be subject to the union-hiring rules that you put in place.

The minister holds up five fingers to the Assembly — five more pipelines. Well if we do our mathematics, five more pipelines, and if you can overrun the cost by a million and half bucks on every one of them — which I think you can with your union labour — you've more than enough provided enough money for the member from Maple Creek to put a dam in place to save some water and help out people in south-west Saskatchewan. So the next time there's a drought in this province, which assuredly there will be, the people in that area won't have to truck their hay from 500 miles away in order to keep their cows alive. The communities down there will have access to water.

And, Mr. Minister, you know full well, full well, that a lot of the problems associated with the Rafferty-Alameda project are a direct result of the things that you did, sir, and your colleagues while in opposition, to do everything you could to get that thing into court and keep it there for years and years and years. And you know who won? You know who won at the end of the day, Mr. Minister, after you protested so much? The lawyers won; the lawyers won. They collected lots of fees.

(1245)

Did the environment change? Not one bit. Those dams today are doing exactly what they were proposed to do. And if you and some of your NDP friends had not forced those situations into the courtroom for years and years and years, those dams would have been built a lot closer to budget and they would have been providing what they were meant to do. And the cost would have been a whole lot less.

But instead you saw it appropriate because you were in opposition, you wanted to be in government, that you'd go out and you'd do whatever you had to in order to raise roadblocks to make sure that those costs overran, to make sure that those projects didn't do what they were supposed to do. And that was appropriate at the time.

I wonder if anybody has ever figured . . . I'm sure your officials in Sask Water could probably come up with a reasonable number for you about what it cost Sask Water and the province of Saskatchewan in the construction delays, in the court costs, in all of the rhetoric and fooling around that was done over the Rafferty-Alameda project.

I bet they could find that for you, Minister, and maybe what we should do for the next session of your estimates is that you could bring those figures for us. You could come up with the numbers for us on what it cost to go to court; what it cost in construction delays when the prime contractor couldn't move his equipment because you and your friends had orchestrated roadblocks month after month, year after year.

You know one of the things that I detested most about my days in government, Mr. Minister, was having to sit in my place and listen to the member from Rosemont and others go along for hours at a time and day after day yacking about Rafferty-Alameda as if they understood or knew anything to begin with, and tied up this Assembly for hours and days and spent the taxpayers' money.

And you know what? At the end of the day, they didn't stop the project. At the end of the day, they didn't stop a darn thing. You know, my colleague tells me there's 80 feet of water in Alameda dam today — 80 feet of water. It's filling up. It's filling up and it's providing flood control.

Rafferty-Alameda, Mr. Minister, Rafferty-Alameda could have been brought in a lot cheaper if you people when you were in opposition, had not decided to do everything you could to stop it. You know how many Battle Creek dams could have been built for the legal cost and the slow-down cost that you caused. There could have been dams all across southern Saskatchewan for what you caused in your opposition days. And that's the truth and everybody knows it.

So why don't you come back to this Assembly with how much money you wasted by trying to slow that project down. At the end of the day, you didn't succeed, thank goodness. And the taxpayer, yes, is bearing a burden because of those slow-downs that you and your colleagues caused.

Mr. Minister, why is it so unreasonable? Why is it so unreasonable for someone in southern Saskatchewan to want to try to make a living and have an environment where they have access to water instead of being forced to go through drought periods like all of us who lived there have had to do in the past.

The committee reported progress.

The Assembly adjourned at 12:50 p.m.