

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. D'Autremont: — Thank you, Mr. Speaker. I have a petition to present to the House. It is the same petition as presented by my colleagues, the member from Maple Creek and the member from Kindersley. It deals with the farm situation and the gross revenue insurance program.

I won't bother reading it all out to you, Mr. Speaker, but the main issue is that the farmers would like to have the '91 GRIP (gross revenue insurance program) returned. I would like to lay this on the Table, Mr. Speaker.

READING AND RECEIVING PETITIONS

Clerk: — According to order, I have reviewed the following petition pursuant to rule 11(7) and it is hereby read and received:

Of the citizens of the Province of Saskatchewan humbly praying that your Honourable Assembly may be pleased to (1) allow the 1991 GRIP program to stand; (2) start working with the Federal Government and farmers to design a program that will be a true "Revenue Insurance" program; and (3) ensure that the new revenue insurance program be set up on an individual cost-of-production to return ratio instead of risk area formula.

PRESENTING REPORTS BY STANDING, SELECT AND SPECIAL COMMITTEES

Standing Committee on Public Accounts

Deputy Clerk: — Mr. Swenson as chairman of the Standing Committee on Public Accounts presents the first report of the committee which is hereby filed as sessional paper no. 62.

Mr. Swenson: — Thank you, Mr. Speaker. It is my pleasure as the chairman of the Public Accounts Committee to table the committee's report for the year ending March 30, 1990.

The committee report this time is broken into two parts, Mr. Speaker. The first part was with the deliberations of the previous legislature, and the second part of the report deals with the time period after the election of October 1991.

The committee has undertaken a couple of initiatives during that time. One because there were a number of people new to the mandate of this Standing Committee on Public Accounts, we've gone through a series of orientation seminars with two purposes in mind: one was to of course bring new members up to speed on the mandate of the committee, and the second one was to review the guidelines as presented by the Canadian committee of public accounts. It's an organization that is

active all across Canada.

They do analysis on a Canada-wide basis of things such as the role and purpose of the Public Accounts Committee, parliamentary control and accounting of public monies, and the role of the comptroller, the role of the Provincial Auditor, the operation of the Department of Finance, the budget cycle, and of course the mandate itself of public accounts committees in various provinces and indeed federally.

So what your committee did, Mr. Speaker, was to compare how Saskatchewan stacked up against other jurisdictions, how Saskatchewan could look at improving on the way that its committee functions. And indeed, Mr. Speaker, I would say that Saskatchewan did stand up very well in comparison to other jurisdictions in Canada. We found areas of agreement where we could improve upon certainly. And the committee, as it begins its deliberations tomorrow, will be looking at implementing some of those recommendations that were adopted by all members of the committee.

The committee looked at about 20 different areas of public expenditure, Mr. Speaker, and I'm not going to go into any great detail on any of them. Some areas that the Provincial Auditor has commented on for a number of years, probably will comment upon again in his next report which has been tabled in this legislature.

I think, needless to say though, Mr. Speaker, that with the advent of the discussions around accrual accounting, the Gass report, and other initiatives that are taking place within parliamentary government around Canada, that you will see the Public Accounts Committee in this province looking in new directions to perform its tasks. And with that, Mr. Speaker, I would table my report on the Public Accounts.

I'm told, Mr. Speaker, that procedure would be to ask for leave of the Assembly that the first report of the Standing Committee on Public Accounts be taken into consideration before orders of the day.

Leave not granted.

Mr. Swenson: — Thank you, Mr. Speaker. I am sure the next time we'll get it right. I move:

That the first report of the Standing Committee on Public Accounts be now concurred in.

Mr. Van Mulligen: — Thank you, Mr. Speaker. Mr. Speaker, I rise to associate myself with the remarks of the member for Thunder Creek, the chairman of the Public Accounts Committee. I think that he has accurately and succinctly described some of the major activities of the committee that may be found in the report.

Before I sit, I just briefly want to make mention of the fact, or to elaborate . . . and we've said that some of the report is in fact the work of a previous committee, from a previous legislature. And I think I would be remiss, Mr. Speaker, if I did not point out that those individuals: Mike Hopfner, who was the member for Cut

Knife-Lloydminster; also Harry Baker, who was the MLA (Member of the Legislative Assembly) for Biggar; one of the members who is not now on the committee but is a member of the legislature, the member for Wilkie; also the member for Regina Rosemont, who was also a member of the committee at that time; Lloyd Muller, who was the MLA for Shellbrook-Torch River; you, Mr. Speaker, who was a member of the committee at that time; Lloyd Sauder, who was the MLA for Nipawin; and Herb Swan, who was the MLA for Rosetown-Elrose. And I think that . . . again much of the work that was done was done by those members and we thank them for their efforts in this regard. And I support the motion, Mr. Speaker.

Motion agreed to.

INTRODUCTION OF GUESTS

Mr. Trew: — Thank you, Mr. Speaker. It's a pleasure for me today to rise and introduce to you and through you to members of the legislature, three people who are seated, two in your gallery, and a third in the west gallery.

The two in the Speaker's gallery, seated at the top back, are Leo Weaver and Gary Dawson. Both are sublocal chairmen with the Amalgamated Transit Union. Both these gentlemen and I have a fairly lengthy working history together, and it was my pleasure to meet with them a little bit earlier today.

The third person I want to introduce to you, Mr. Speaker, is Harley Toupin, who is the executive director of the Saskatchewan Safety Council, seated in the west gallery. Harley and I also have a fairly long history together. I was on the board of the Safety Council some years back when Harley was originally hired by the Safety Council.

I ask all hon. members to join me in welcoming these three individuals to our Legislative Assembly.

Hon. Members: Hear, hear!

Mr. McPherson: — Thank you, Mr. Speaker. I'd like to introduce to you and through you, 13 grade 12 students from the Eastend School and the teachers Brad Hauber, Robert Gebhardt, and bus driver Randy Morris. I ask that all the members welcome them.

Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, I want to join with my colleague from Shaunavon in welcoming the 13 grade 12 students from Eastend. Welcome to the Assembly.

But I want to introduce to you and through you to members of the Assembly a group of 12 English as a second language group of students from SIAST (Saskatchewan Institute of Applied Science and Technology) who are seated in your gallery. Along with them is their teacher, Ron Mang. And I know that all members will want to join with me in welcoming them here today and wishing them a good stay.

Hon. Members: Hear, hear!

(1345)

STATEMENTS BY MEMBERS

Mr. Kowalsky: — Thank you, Mr. Speaker. Mr. Speaker, this is day one for the implementation of the new amendments to the rule and procedures for this Assembly.

The public expectation of politicians amongst other things these days is that they want members to be accessible, to be effective, and to be open, and that they expect the 43 private members to have a more visible and effective role in the legislature. So part of the democratic reform package of this Assembly, Mr. Speaker, is to raise the profile of private members and to provide a new role for government members.

Accordingly we are introducing today a series of new rules, the first of which I am participating in right now — the private member statements — a 90-second opportunity for any member to make a statement on an issue pertaining to constituency that may not otherwise be raised. Every member will have an opportunity to make such a statement every six to eight days.

There are other reforms including question and answers after the time debate on Tuesday. No seconders will be needed for motions. Therefore any member will be able to introduce a motion and register any motion. And the TV guidelines are revised to better reflect the operations within the Assembly.

Mr. Speaker, we will be monitoring and accepting recommendations on the new rules and regulations by the 50th day of the sitting and we hope to work to a . . .

The Speaker: — Order, order.

Some Hon. Members: Hear, hear!

Mr. Goohsen: — Thank you, Mr. Speaker. It's with a great deal of pleasure that I report to this Assembly the happenings of last Friday wherein the native women's healing lodge to be built in the Maple Creek district in the Cypress Hills was announced by Solicitor General Doug Lewis; accompanied by Member of Parliament, Geoff Wilson; the mayor of Maple Creek, Grant McAlister; and Chief Gordon Oakes; along with many members of the community including local reeves and other mayors from other towns.

It was found that after extensive research, negotiations, and study, Mr. Speaker, the federal government appointed the eight panel member . . . eight-member panel, excuse me, along with three members from the elder circle. And there was a unanimous decision by that group to place this facility at the Maple Creek site. And we wish to take a moment to congratulate the people involved for a job well done, especially the people of that community who wrote up the report. It was an excellent report.

There were 45 communities that applied for the facility to be in their area and so it must have been a very difficult choice indeed. And so we want to congratulate the

people that put that report together for that area. It was reported as being an excellent report and that it was a very deserving choice indeed. And I also would extend my congratulations to all involved. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. McPherson: — Thank you, Mr. Speaker. I'd like to raise a concern from the Shaunavon constituency. On Tuesday, May 19, there were lightning strikes which ignited grass fires in the Masefield community pasture. And these fires took out 40 square miles of grasslands leaving 26 patrons of the community pasture with little-to-no grass for 1,200-and-some head of cattle.

Last Friday I wrote letters to the federal Agriculture minister, Bill McKnight, Environment minister, Jean Charest, and other federal officials to see if perhaps we can't have emergency grazing in the Grasslands National Park. And I'll be asking the support of all the members of this House in doing that in the future. Thank you.

Some Hon. Members: Hear, hear!

Mr. Kluz: — Thank you, Mr. Speaker. I was home for the weekend in Kelvington-Wadena talking to many of my neighbours, who are farmers like myself, and they agreed that farmers . . . the worst thing they need right now is another bill. And they agreed that what we proposed last Friday was a good idea and the right thing to do.

And what we had proposed was that the federal government deduct the 41 million overpayment in western grain stabilization plan from the 500 million owed by the previous promise and a third line of defence and to immediately pay the balance of that money. And I am again today calling on the federal minister to comply with those recommendations.

Last Friday we had a chance for unanimous approval of those recommendations, but the opposition refused to vote by speaking out the clock, thus causing the debate to die on the order paper. And if the members opposite are sincere about helping us in the crisis in agriculture, please join us, and let's work together for a better tomorrow.

Some Hon. Members: Hear, hear!

Mr. Goulet: — Yes, Mr. Speaker, I'd like to make a statement on the healing lodge as well.

Mr. Speaker, I was very pleased to hear the healing lodge, you know, coming to the province of Saskatchewan. And I certainly hope that the control and the employment figures rise in regards to the Nikaneet Band in regards to their healing lodge itself.

Being from the other side of the province, up in the North, one of the concerns was the access. And a lot of the people were still very concerned in my area who come to Prince Albert and La Ronge and Saskatoon, on the question of access. So I would like to . . . I certainly hope that the plan includes, you know, a means of providing access for the people from the northern area in making sure that they have places to stay which . . . and being able to have, you know, the funding which they would be able

to get, food and everything and shelter and all these things, if it was in a central location.

Some Hon. Members: Hear, hear!

Ms. Hamilton: — Thank you, Mr. Speaker. I rise today to make a comment on the University of Regina convocation that was held on Friday. It was my pleasure and I was proud to be in attendance at the morning ceremonies of the convocation. And I congratulate all of those people who worked so hard to obtain their degrees, their certificates, their work study program completions, and so on.

At the convocation there were two honorary degrees bestowed upon Dr. Ursula Franklin and Dr. Roberta Bondar. And in the morning ceremonies I was very pleased to hear the comments and the presentation from Dr. Franklin who stated that in science and the economy, we no longer can have all of our efforts go to maximizing profit and greed; that we now have to look at how we can minimize the disasters that have been created for the economy and for the environment.

The many people who were in attendance were very proud of the graduates, and our representative, the hon. member from Regina Dewdney, was our representative of our government. He was also there as a proud parent.

I noted in the comments from some of the people in the audience, there were many mature students who also went back; and the comments of the two beside me who were hollering, way to go, mom, when the degree was completed.

So I rise to congratulate all of the people who had convoked on Friday, and to say the congratulations to the two people, Dr. Franklin and Roberta Bondar, who received their honorary degrees.

Some Hon. Members: Hear, hear!

Ms. Stanger: — Mr. Speaker, the federal agricultural minister, Mr. Bill McKnight, has ordered the Farm Credit Corporation to continue the push for farm foreclosures in Saskatchewan, and to actively oppose any attempts by the province of Saskatchewan to deal with the situation.

Mr. Speaker, Mr. McKnight has shown himself by his actions to be unwilling to act as a representative of Saskatchewan farmers. Take a look at the statistics for the period April 1, 1992 to May 20. The FCC (Farm Credit Corporation) has issued 167 notices of intent to foreclose. This represents 67.1 per cent of the total notices. This does not indicate the crisis is all but over.

Our farmers are in a crisis so devastating that they need all the help they can get to stay on their land. And now the federal Minister of Agriculture is saying that he doesn't want to be a part of a plan to help farmers stay on the land — a minister who lives here, a minister who represents the Kindersley-Lloydminster area, a minister who is a farmer of all things, a man who should understand what it's like in this province right now.

I find it incredibly hard to believe that Mr. McKnight

really cares about the farmers of Saskatchewan. If he did, he would be helping us ensure leaseback protection for cash-strapped farmers.

The Speaker: — Order, order.

ORAL QUESTIONS

Community Employment Program

Mr. Muirhead: — Thank you, Mr. Speaker. My question today is to the Minister of Social Services. Madam Minister, you have announced what you are calling a new welfare work program, and so far the main thing you say that is new about it is the approach taken to welfare recipients. Will you confirm that if under your program you offer a job to a welfare recipient and that recipient refuses the job, you are saying there will be no consequences? In other words, an able-bodied person can turn down a job and just keep collecting welfare. Is that correct, Madam Minister?

Hon. Ms. MacKinnon: — Thank you very much, Mr. Speaker. I will confirm that the program is voluntary. What I will also confirm is that we are having no trouble finding people who are willing to work in this province. In fact what I find in my constituency is that people who are on social assistance want nothing more than a good, decent job.

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — What this program does is it offers them the opportunity for exactly that — a good, decent job.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Thank you, Mr. Speaker. To the same minister: you and your government have always said the Tories have been tough on these kind of people. You've always said that. The question again to you, Madam Minister: when there is a job provided, when a job is provided for a person who can work, should that person be expected in fact to work for the money the taxpayers are providing?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — I think I would like to ask the member opposite, first of all, what these kind of people are. We have a lot of people in this province who exist in a state of poverty. I don't know if that is these kinds of people to the member opposite.

But what I would like to say is what I said before; we have a lot of social problems in this province created primarily in the 1980s when the members opposite were in power, such as a doubling of child poverty in this province. What we are providing these people is what they want most: an opportunity to work, as well as opportunities to upgrade their skills.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Thank you, Mr. Speaker. The minister

is saying that we do not have a welfare problem in this province. The way this government has been firing people and people losing jobs by the thousands, you're going to have to have some way to control your Social Service department that the people that need it. Will you, Madam Minister, tell us how you are going to control the people that really need social services and the ones that don't need it. How are you going to control it now? Tell us, Madam Minister.

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Mr. Speaker, let's inject a few basic facts into this debate. When the members opposite were in power from 1982 to 1992, what we saw in this province was a 30 per cent increase in the welfare case-load. So don't talk to me about putting people to work. What happened under your administration was you put more people on welfare by different social policies that you put in place.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Mr. Speaker, to the same minister. The minister seems not to understand that with her tax and rate increases she is making everyone pay for these bad decisions. That's what's happening out there, Mr. Speaker.

Madam Minister, today you're even taking money away from little children who go to buy a soda pop. That's what you're doing. So if someone can work . . . and who won't work? You're not answering my question at all. They won't work. You will take away from the kids pop money to pay a strong man not to work. That's the question I'm asking. You're trying to get around it. Now answer the question.

Hon. Ms. MacKinnon: — Mr. Speaker, I am in no sense getting around your question. I am very proud of what we call the community employment program. What it does is it takes NGOs (non-governmental organizations), volunteer agencies, child care facilities, food banks that are providing valuable services to their communities, and it offers them an opportunity for extra help to provide jobs that they couldn't otherwise afford to pay for.

On the other hand, it gives our people on social assistance on-the-job training which is part of a career plan that involves on-the-job training as well as upgrading of skills and basic literacy.

This is a wonderful program of which I make no apologies, and we are having no trouble getting people to line up for it.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Mr. Speaker, it's very evident to see that the minister was not watching a lot of years what the New Careers program was doing. Very evident.

A new question to the Minister of Social Services, Mr. Speaker. Madam Minister, you say that under your system, if an able-bodied individual has an employment opportunity, that individual can choose to live off

taxpayers' funds. This is going backwards, Madam Minister.

Madam Minister, can you also confirm that you have fired 20 people from your Social Services department including individuals from the investigations unit whose job was to ensure that taxpayers' dollars are being targeted to the individuals that need it?

Hon. Ms. MacKinnon: — To answer the second part of your question seeing as I've already answered the first part, what we have done in the department is again something I'm very proud of. We have redirected funds away from what used to be called the fraud squad, so that what we have there is basic accountability — accountability that the tax dollars are well spent, but we don't have harassment.

We've taken those dollars and put them where they're needed — front-line social workers that can deal with people's problems. That's what we've done.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Mr. Speaker, to the same minister. She didn't answer my question, did she or did she not fire these 20 people. She did not answer that question, and I'll expect her to answer that question when she gets up.

And further to that question, Mr. Speaker, not only did these individuals, these 20 individuals return a portion of taxpayers' money back to the people, their presence also served as a deterrent for anyone wishing to take advantage of the system. Their work is more than just what they return to the system.

I trust you did no analysis of the effects of the removal of these positions as many of your cabinet colleagues have also neglected to do.

I'm wondering why you fired them at all rather than just trim the staff to a level that was satisfactory to what your objectives were.

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Again if I could inject some facts and statistics into this discussion. What we did was we redirected funds from one part of the department to another part of the department. We did not end the auditing function.

But let's put some numbers on this. The special investigations unit cost the taxpayers of this province \$600,000 last year. Do you know how much they collected? — 230,000. That is a negative of almost 400,000. It is a negative of almost 400,000. We're taking that money and putting it to much better use — front-line social workers to deal with the social problems that the members opposite created.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Mr. Speaker, to the same minister. She still hasn't said . . . Madam Minister has not stood to her feet and said yes, I did fire those 20 people. She will not

admit that, even though we all know she did. But she just won't . . . she wants to get around it. So therefore she's talking about a new policy. But will she and will you, Madam Minister, table your new policy so we all in Saskatchewan can see it?

Hon. Ms. MacKinnon: — We certainly will. It's called *Changing Directions*. It's out there for the members opposite to see. We've asked for public input into it.

Again, what I say is what we have done in the Department of Social Services is we have talked about a redirection of services to the clients to try to deal with the social problems. If we don't begin to deal with the fact that we have one of the highest child poverty rates in Canada, if we as a government don't begin to deal with that, we're handing our children a terrible legacy. And this government is going to deal with that problem.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Thank you, Mr. Speaker. To the same minister, a short question: did you or did you not fire 20 people from Social Services?

Hon. Ms. MacKinnon: — We did not fire 23 people. We disbanded part of a unit. The people were given the opportunity to exercise straightforward bumping rights.

And by the way, while we're talking about Grant Schmidt's SS police or the fraud squad, the member opposite from Rosthern did a 50 per cent reduction last year. He was moving in the right direction. We've carried it a bit further. We're putting the money to where it's needed — front-end social workers who are serving people.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — The minister has been . . . she thinks she's answering questions, but really she's just skating around and she's not answering directly. And I have a new question. Maybe she can answer this one, Mr. Speaker.

Madam Minister, you and your NDP (New Democratic Party) colleagues felt the need to gut the GRIP program because you didn't trust hard-working farm families. You didn't trust hard-working farm families, many of whom will be working at the . . . near the poverty level this year. You called it a moral hazard and accused honest producers, taxpaying producers, of knocking the system, and took their protection away from them.

On the other hand, you say there's no need to protect taxpayers from the possibility of misuse of the welfare system. How does that square with your Minister of Agriculture's deplorable actions?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Thank you very much, Mr. Speaker. What we've done with GRIP is make it market sensitive. I would have thought the members opposite would have supported that.

You are putting words into people's mouths. You said that you got people on social assistance to work in the 1980s. The stats say opposite. The stats say that there were 30 per cent more people on social assistance when you finished with the province than when you started, so don't talk to me about putting people to work. That's what we're doing.

You assume that because we don't have a fraud squad, that we're not monitoring the system — there's no quality control. That is false. There is quality control and there will continue to be quality control.

Some Hon. Members: Hear, hear!

Mr. Muirhead: — Mr. Speaker, thank you. It's my last question to the minister. Mr. Speaker, Madam Minister, when she's been answering these questions, she just gets onto her own policy, her own program, but not answering directly what I've been asking her. She skirts around the questions. But maybe you can answer this one too. Maybe you could try to answer this one, please, Madam Minister.

You also stopped the cheque pick-up program which uncovered numerous instances of taxpayers' money being sent to unqualified recipients. This was not a massive system for those who needed the assistance, Madam Minister. And in this time of restraint and given your massive tax grab, do you not feel that taxpayers deserve some assurance that their money is going to those people that need it? Do you not agree with that, Madam Minister?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Mr. Speaker, I am pleased to answer that question. Our commitment is to treat poor people in this province with decency and respect.

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — We are simply not about to say to people, we will with the one hand take away your transportation allowance and with the other hand we'll expect you to pick up cheques — a practice which, by the way, cost the department money.

What we're doing is we are monitoring people's activities but we're using the people best equipped to do that — front-end social workers. We will continue to treat people in this province with dignity and respect.

Some Hon. Members: Hear, hear!

Crown Investments Corporation Annual Report

Mr. Solomon: — Thank you very much, Mr. Speaker, for recognizing me. My question this afternoon is addressed to the minister responsible for the Crown Investments Corporation. Mr. Minister, and Mr. Speaker, the Crown Investments Corporation recently released the annual report for the year 1991. The annual report revealed a substantial loss, and simply put, it was not a very healthy picture for the Crown sector in Saskatchewan.

Mr. Minister, could you tell the House today what exactly is the financial condition of the CIC (Crown Investments Corporation of Saskatchewan), and which of the Crown corporations were principally responsible for the poor performance of the Crown Investments Corporation?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — Mr. Speaker, the annual report for CIC, tabled for the first time this year; for the first time we're providing a complete set of financial statements.

They show a consolidated net loss of \$381 million. The corporations principally contributing to this were: an operating loss at SEDCO (Saskatchewan Economic Development Corporation) of \$43 million; STC (Saskatchewan Transportation Company), \$6 million; a \$189 million loss associated with the privatization of Cameco; \$64 million write-down of CIC's investment in the Bi-Provincial upgrader; a \$47 million write-down on the Weyerhaeuser income debenture; \$50 million provided to Meadow Lake pulp mill, not as a loan; a further \$70 million of CIC's investment in NewGrade in addition to the 162 million put in earlier.

By and large, Mr. Speaker, we are cleaning up the messes created by the PCs (Progressive Conservatives) during their years in office.

Some Hon. Members: Hear, hear!

Mr. Solomon: — Thank you, Mr. Speaker. Supplementary to the same minister, Mr. Speaker. Mr. Minister, would you explain to this Assembly what caused the Potash Corporation of Saskatchewan and Cameco losses and what do you plan to do to rectify that in the new year?

Hon. Mr. Shillington: — Thank you very much, Mr. Speaker. Primarily the . . . (inaudible interjection) . . . Well given the rather paltry nature of the questions opposite, it was thought needed to supplement . . .

The Speaker: — Order. If the minister has an answer to the question, he'd better get to it right away.

Hon. Mr. Shillington: — Mr. Speaker, the loss associated with PCS (Potash Corporation of Saskatchewan) and Cameco were as a result of the privatization. Mr. Speaker will know that the system that the PCs used is that you sell assets for less than what they're worth so that the shares will rise on the market and people will experience a gain.

That's sound for the investor but the bill is coming home to the taxpayer. And this year's losses at CIC are the taxpayers' bill for your phoney gamesmanship with privatization.

Mr. Swenson: — I have a question for the same minister. Mr. Minister, is it not true that within the confines of CIC and also at Cameco there are letters from various agencies, Warburg's among them, who say that there has been no permanent impairment suffered by Cameco Corporation in its share offerings. Is that true, Mr. Minister?

Hon. Mr. Shillington: — Mr. Speaker there are at least two documents suggesting there's going to be . . . that there must have been some permanent impairment of the Saskatchewan taxpayer. One is the previous reports of the Provincial Auditor and the other is the Gass Commission suggesting the taxpayer has had to carry a lot of freight because of the phoney gamesmanship which you people played when you sat on the treasury benches, Mr. Member.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Question to the same minister, Mr. Speaker. Mr. Minister, is it not also true that by taking these foolish write-downs right now, that any gain in share value and any of those corporations in the future can be taken as a profit by the government opposite. Is that not true?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — Thank you. The member opposite will understand that you're calling the last year's president of the Canadian Institute of Chartered Accountants, Donald Gass, foolish. It was Donald Gass who recommended it. We are following the Gass Commission. Keep in mind whose advice you're criticizing with such trite comments, Mr. Member.

Some Hon. Members: Hear, hear!

Mr. Swenson: — As usual, Mr. Speaker, the ministers don't like answering the questions.

The minister outlined a number of costs associated with CIC and the debt associated with it. This Chamber has heard last week that Power, Tel, many of the major corporations had large profits associated with them.

Mr. Minister, is it not true, is it not true, sir, that if you did not take these unnecessary write-downs so that in two or three years you could show large capital gains in those areas, you in fact would not have that debt in CIC? Can you confirm that, sir?

Hon. Mr. Shillington: — I'm not sure, Mr. Speaker, if it would be good parliamentary practice to describe the questions as wilfully obtuse, but they certainly seem to be.

Mr. Member, the Gass Commission recommended it. We are taking the recommendations of the Gass Commission. Surely members opposite can understand that.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Question to the same minister. When in trouble the NDP hide behind the Gass Commission.

I don't think, Mr. Minister, at any time the Gass Commission recommended taking unnecessary write-downs. What you're doing, sir, what you're doing on selective basis is using Gass numbers one day and something else another, and you know it.

Mr. Minister, will you answer the question. If the shares of

Cameco, if the shares of PCS, if the shares of other companies associated with the CIC umbrella go up in the next few years, by taking this write-down, sir, will you achieve a capital gain? Answer the question, please.

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — Mr. Speaker, let me say it again for the member opposite. The shareholders will experience the capital gain; the taxpayer is going to get stuck paying off the loss.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. I have a question to the minister of PCS . . . the minister responsible for PCS.

Who is it, Roy asks? The minister responsible for PCS. Mr. Speaker, the reason I ask that . . . Mr. Speaker, the reason I ask that is because the . . .

The Speaker: — Order. Order. Let's have some order. Okay?

Mr. Swenson: — If the government would listen to the question I think they would maybe some of them be amazed that some minister over there took it upon themselves to send a couple of individuals to the PCS annual meeting in Saskatoon. I'm simply asking the question, Mr. Speaker, would the appropriate minister inform the Assembly of who those two individuals were?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — As the minister in charge of CIC, the two individuals who went were Don Woloshyn and Doug Karvonen.

Mr. Swenson: — Thank you, Mr. Speaker. Question to the same minister: Mr. Minister, so it was under your direction that these two individuals were sent to Saskatoon to perform their Laurel and Hardy act at the PCS annual meeting. Mr. Minister, please tell the legislature what the purpose was of sending these two individuals to that meeting so that they could properly embarrass the people of Saskatchewan at it?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — Mr. Speaker, the two individuals went to the annual meeting to exercise the right of this government to vote its shares and to ask questions at the annual meeting. Questions were asked and were duly answered by the management. We are simply exercising the right we have as any shareholder has.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Question to the same minister: Mr. Minister, is it not true that those shares that your two political friends were voting that day are in fact held in trust for tens of thousands of Saskatchewan people who have the right to convert the potash bond to shares of Potash Corporation of Saskatchewan at a later date? Is that not true, sir?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — The shares are owned by the Government of Saskatchewan. Under a complex arrangement they may or may not be released to bondholders. There is no certainty about their release.

Mr. Swenson: — Thank you, Mr. Speaker. Question to the same minister: Mr. Minister, are you saying to literally tens of thousands of people in Saskatchewan — my two children included, as are many other children, seniors, all people across this province who have potash bonds and have the understood right to convert those to potash shares — that your government is now changing the rules and saying that they don't have that right, sir?

Hon. Mr. Romanow: — Mr. Speaker, I want to answer the question if I can of the hon. member because I find that the question is strange coming from the official opposition.

This member of the opposition now is criticizing us for exercising not only a right, I would say, Mr. Speaker, a duty, a duty to look after the shareholders' interests that still are vested directly or indirectly in the province of Saskatchewan. He criticizes us for doing that when he failed to do his job in protecting the interests of the shareholders of the province of Saskatchewan by privatizing the Potash Corporation of Saskatchewan, the loss of over \$400 million.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Sir, I say to you, those days are over. We are here to look after the interests of the people of the province of Saskatchewan and not the private investors as you have the last nine years.

Some Hon. Members: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 21 — An Act to continue SaskEnergy Incorporated, to make certain consequential amendments to certain Acts resulting from that continuance and to validate certain transactions involving SaskEnergy Incorporated

Hon. Mr. Lingenfelter: — Mr. Speaker, I move first reading of The SaskEnergy Bill.

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

ORDERS OF THE DAY

GOVERNMENT ORDERS

ADJOURNED DEBATES

SECOND READINGS

Bill No. 10

The Assembly resumed the adjourned debate on the

proposed motion by the Hon. Mr. Penner that **Bill No. 10 — An Act to amend The Crown Minerals Act and to make consequential amendments to certain other Acts resulting from the enactment of this Act** be now read a second time.

Motion agreed to.

The Speaker: — If the member wishes to speak to the adjourned debate, he's too late. He'll have to make his comments on Committee of the Whole.

Is the member asking leave to revert back?

Mr. D'Autremont: — Yes I do, Mr. Speaker.

Leave granted.

Mr. D'Autremont: — Thank you, Mr. Speaker. Thank you to the House for giving leave to continue this debate.

Mr. Speaker, this Bill is a very complex and very intimate Bill. It's going to affect a lot of people across this province, a lot of industry, and a lot of jobs. There needs to be more consultation with the industry and with the people affected concerning this Bill, Mr. Speaker.

Our critic today was unable to be here. He has been discussing this matter with various people in the industry. And, Mr. Speaker, at this time I would like to adjourn debate on this Bill.

The Speaker: — Order. I have to remind the member from Souris-Cannington that he has already adjourned debate on this Bill and he's not able to do so. He may speak to it but he will not be able to adjourn debate.

Mr. D'Autremont: — Thank you, Mr. Speaker. I wasn't aware of the ruling on that. I will take my seat at this time.

Mr. Swenson: — Thank you, Mr. Speaker. The concerns of the opposition in regard to this Bill, Mr. Speaker, are that as usual we're not absolutely positive that in Bill No. 10 that the minister responsible has done the type of consultation that we would deem necessary to see this Bill truly meet the concerns of the people involved in the particular industry.

An Hon. Member: — Which Bill is it?

Mr. Swenson: — It's Bill No. 10.

An Hon. Member: — Are you sure?

Mr. Swenson: — Absolutely positive.

We've seen unfortunately, Mr. Speaker, too much of this type of thing going on in the legislature. And I listened with interest to the minister's comments on second reading to see if there was any indication that people in Saskatchewan will go forward with these changes with the full confidence that increases in royalties and taxation won't have detrimental effects on the people involved.

And I can tell the minister, Mr. Speaker, as one who formerly filled that role, that one of the successes of those

industries in Saskatchewan through some very difficult times was the fact that there was an ongoing consultation process. It wasn't always that the government simply gave in to industry, but it was a clear recognition that the bottom line, the bottom line of many very small companies who are situated in basically our smaller urban areas around Saskatchewan, that the bottom line sometimes amounts to a couple of thousand dollars change one way or the other.

The other thing that we must always be cognizant of in this province, Mr. Speaker, is that the availability of Crown land for development, particularly to the small and medium producer, has to be there — that if we as a province in our wisdom take too much of the pie before the pie ever gets cut, those lands will not be developed accordingly. And it's always a fine balance of trying to predict what international commodity prices are going to be, versus what the ongoing costs of operation of your medium and small producer are, so that they can be viable in the future.

These people in many areas of our province, Mr. Speaker, form the backbone of the employment. They are involved in the service industry. They are the folks that pick the guys up out of technical school. They are the folks that give farmers part-time employment. They are the people that in many cases form the tax base in rural Saskatchewan so that when they need a few extra bucks for the rink or they need a few extra dollars for a community project, if Main Street needs a little more paving, it's often these small- and medium-size resource companies, whether they be in oil, gas, mining.

I know of situations in my own constituency, Mr. Speaker, where an individual involved in the sand and gravel business made a very major contribution to Palliser Park located on Lake Diefenbaker. The ability of those individuals to keep employing people and to still make those contributions to their local community, besides the province as a whole, is a very narrow thin line. And the whole trick to governing that sector of our economy is to talk to them and talk to them and talk to them on an ongoing basis.

And I will await with interest, Mr. Speaker, on the minister's comments in Committee of the Whole as to that ongoing consultation process that he has undertaken with these types of individuals and companies around this province in bringing forward a Bill which certainly does have monetary costs associated with these individuals.

Mr. Speaker, as my colleague from south-east Saskatchewan said the other day, there are a number of individuals around this province particularly that we are in consultation with. We do believe it's necessary to hear people's views and we are still listening to them, Mr. Speaker. And with that I would beg leave to adjourn debate on Bill No. 10.

Debate adjourned.

(1430)

Bill No. 11

The Assembly resumed the adjourned debate on the

proposed motion by the Hon. Ms. Simard that **Bill No. 11 — An Act to amend The Marriage Act** be now read a second time.

Motion agreed to, the Bill read a second time and, by leave of the Assembly, referred to a Committee of the Whole later this day.

Bill No. 13

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. MacKinnon that **Bill No. 13 — An Act to amend The Adoption Act** be now read a second time.

Mr. Muirhead: — Thank you, Mr. Speaker. When this Bill had second reading I wasn't here, Mr. Speaker, and my colleague from Rosthern said a few words and asked for adjournment. And it was given to me on Friday. I had quite a few people to contact about this.

This Bill may be all right, Mr. Speaker, and Madam Minister, but it takes me back to 1980-81 when this same government had a Bill pertaining to adoptions and there was things at that time that came to light through . . . complications to the Bill.

And I'm trying to, Mr. Speaker, and, Madam Minister, I'm trying to contact some of these people over the weekend which was very difficult, to get their views on it. I think it would be only fair seeing that I'm the critic, that I contact those people and see what their thoughts are on it. And I ask for an adjournment, Mr. Speaker.

Debate adjourned.

Bill No. 14

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. MacKinnon that **Bill No. 14 — An Act to amend The Child and Family Services Act** be now read a second time.

Mr. Muirhead: — Thank you, Mr. Speaker. Again the same thing with this Bill. I read through it and read through the explanatory notes, and these same people . . . I'd like to contact some people. And seeing that I only had the weekend, I ask for adjournment on this also, Mr. Speaker. And I will not hold these Bills up, as soon as I can call . . . contact these people. Thank you, Mr. Speaker.

Debate adjourned.

Bill No. 15

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Simard that **Bill No. 15 — An Act to amend The Wills Act** be now read a second time.

Motion agreed to, the Bill read a second time and, by leave of the Assembly, referred to a Committee of the Whole later this day.

Bill No. 16

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Simard that **Bill No. 16 — An Act to amend The Jury Act, 1981** be now read a second time.

Motion agreed to, the Bill read a second time and, by leave of the Assembly, referred to a Committee of the Whole later this day.

Bill No. 17

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Simard that **Bill No. 17 — An Act to amend The Commissioners for Oaths Act** be now read a second time.

Motion agreed to, the Bill read a second time and, by leave of the Assembly, referred to a Committee of the Whole later this day.

Bill No. 18

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Simard that **Bill No. 18 — An Act to promote Regulatory Reform in Saskatchewan by repealing Certain Obsolete Statutes** be now read a second time.

Motion agreed to, the Bill read a second time and, by leave of the Assembly, referred to a Committee of the Whole later this day.

COMMITTEE OF THE WHOLE

Bill No. 12 — An Act to amend The Enforcement of Maintenance Orders Act

Clause 1

The Chair: — Would the minister please introduce her officials?

Hon. Ms. Simard: — Thank you, Mr. Deputy Chair. I would like to introduce the officials who are here to help us today. On my left is Ms. Susan Amrud, who is a Crown solicitor in the legislative services of the Department of Justice, and on my right, Mr. Maurice Herauf, director of the maintenance enforcement office, Mr. Deputy Chair.

Mr. Toth: — Thank you, Mr. Chairman. Mr. Chairman, just a couple of questions, as we technically have no problem with the Bill that's laid out before us today.

But one question I have and I would ask the minister is, in clause 10 of section 3 — we're talking of where there are arrears owing pursuant to a maintenance order — it says:

... the director may fix an amount to be applied toward the arrears by way of a continuing garnishment.

We're wondering, Mr. Chairman, where the garnishment comes from. Are these arrears going to be collected from any funds that are then allocated from, say the person that you're going after to get the funds that should be going to say, a spouse in the family? Or will funds be garnished

from that amount to pay for the arrears?

Hon. Ms. Simard: — I'm not completely sure of the purport of your question. But what happens under section 3 of the Bill — 10.1 — is that the director can fix an amount by way of continuing garnishment. Continuing garnishment is when it stays on and every month the employer deducts that amount. In other words, you don't have to serve the garnishee every month as we do in some other situations under law in Saskatchewan. So this is a continuing garnishment that is there until the arrears have been paid. The amounts that would be garnisheed are the ordinary amounts that are garnisheed by such a garnishment.

Now with respect to exemptions. It would be the . . . As to what monies are exempt, it would be the ordinary exemptions that have existed under the law with the exception, later in the Bill, there is one provision that makes some further exemptions with respect to UI (unemployment insurance) and something else. But it doesn't change the exemptions that exist today. Does that answer the question?

Mr. Toth: — Thank you, Madam Minister. Guess maybe I should have asked what are we talking, when we talk about arrears here, what are we specifically talking about? I guess the question I was trying to place, Madam Minister, was the fact that would arrears be taken from any money collected from one spouse to be given to the other in their ongoing commitment and maintenance orders or maintenance funds?

Hon. Ms. Simard: — The arrears would be the arrears under the maintenance order. For example, if a spouse owes a spouse \$500 a month and has only been paying 250, over a period of three or four months there's arrears of 750 to \$1,000. Those are the arrears that we're talking about. It's arrears under a maintenance order that's in existence and that hasn't been paid or has only been partially paid.

Mr. Toth: — So I take it then, Madam Minister, that these are the arrears that specifically we're looking at going after so that indeed if one spouse is continuing their commitment or their responsibility to the other spouse.

Another question, Madam Minister. What process does the department go about or go through to enforce the orders, the enforcement of maintenance or enforce the orders that it has before it?

Hon. Ms. Simard: — The process that is followed is as follows: first of all the arrears . . . the order, rather, would be filed in the maintenance enforcement office, then a letter would be sent to the respondent, to the person who is to be paying the maintenance. And if the payments don't come in when they're due, they begin the process of enforcement automatically.

Now the order that comes in may be an order only for maintenance in the future or it could be an order for arrears and maintenance in the future. So depending on what the order says the enforcement then will be either for arrears and maintenance in the future or for maintenance only.

Mr. D'Autremont: — Thank you, Mr. Chairman. To the Madam Minister. Once an order has been made, what type of tracking is in place now to find the individual to whom the maintenance order has been placed?

(1445)

Hon. Ms. Simard: — The process that's followed is this: that once an order has been made their enforcement office can search any provincial data banks to determine where the respondent is living. So they can try and get information from the provincial data banks to locate the respondent. They also can file a tracing request with the federal Department of Justice which, in turn, will attempt to find some information as to where the respondent is living.

The enforcement office also has the power to date — before these amendments come in, but these amendments expand on that — to ask third parties information about where the respondent may be living and how this person can be located and where they may be working.

Now the amendments that we have under section 4 of the Bill expand on that power as to what kind of information they can get from third parties.

Mr. D'Autremont: — Madam Minister, the provincial data banks that you were talking about, would that include the health care numbers and that type of information?

Would it, Madam Minister, when you're talking about the federal government's tracking, would that include the federal income tax or even provincial — would it include income tax provincially?

Hon. Ms. Simard: — No. And we have no idea what the federal government looks at with respect to tracing. All we do is put in a tracing request and they will give us whatever information they can. But we don't know where they get the information.

Mr. D'Autremont: — Madam Minister, what kind of a time frame are you looking at here, from the time you request a trace to the time you receive a response?

Hon. Ms. Simard: — For the provincial data banks it's a couple days and for the federal it's about six weeks, I understand, six-week turnaround.

Mr. D'Autremont: — Madam Minister, you say that you have expanded the tracing in section 4. I know that it's a real problem. I've been contacted a number of times as a new MLA concerning maintenance and tracing and it seems to be quite a difficult matter to trace people involved and to get any funds from them.

I was wondering, your new section, do you expect that to make it easier for you to trace and more difficult for those who are trying to avoid paying their maintenance?

Hon. Ms. Simard: — Yes. We expect it to be easier to trace. Yes.

Mr. D'Autremont: — Thank you, Madam Minister. I'm hoping that will indeed be the case as I feel that these people should be paying their bills.

Mr. Toth: — Yes, Madam Minister, just one or two questions on I believe that you indicated the other day when you introduced the Bill that also you would be looking at gaining access to any accounts or the fact that whether . . . joint accounts as well so that you would be able then to I guess garnish the funds that are needed regarding a maintenance order. What's the process you would be following in that, Madam Minister?

Hon. Ms. Simard: — The process that would be followed is the same sort of process with respect to garnishment of any bank account that's not joint, for example. The garnishment would be placed on the financial institution and the funds in the joint bank account would now be garnisheed.

In the past, people were able to avoid their responsibility by putting money in a joint bank account and saying you can't garnishee it because this is a joint account. What the new section does is prevent that from happening and makes these monies garnishable.

Now it could be contested by the respondent or the bank, for example, who might say that none of the money in the joint bank account belongs to the respondent. But if the respondent has an interest in that joint bank account then that argument wouldn't be available to him or her.

Mr. Toth: — I guess that's the one question. The other question that comes to our mind, Madam Minister, is the fact that on a joint bank account then, basically you're running into a third-party involvement, and we're just wondering what process or what format the department has looked at.

In the case of garnishing funds from that account only to have the third party or the third individual . . . would you be infringing on that individual's rights? And certainly we agree with the fact that no one should be able to hide from their responsibility, but we're concerned that maybe a person's rights may be infringed upon, and what process the department has looked at in being able to garnish these wages without it affecting the third party in the process.

Hon. Ms. Simard: — The whole basis of a joint bank account, Mr. Member, is that both parties own what's in the bank account. And for example the respondent could write a cheque on that bank account for the full amount to have paid the maintenance. That's the legal principle that's behind these joint bank accounts.

So based on that principle, the monies in that account can be garnisheed under the new legislation. So therefore third parties that have a joint bank account with another individual will have to be alerted to that fact that this account can be garnisheed under a maintenance order, for example. And they should be apprised of that by the bank when it's set up, and I would imagine that they will.

We will be sending a covering letter out with the

garnishee to contact us if, for example, the bank could prove that the respondent is only a signatory to the account and doesn't own any money or write cheques on the account. But the principle upon which this change is made is that joint bank accounts . . . any member to a joint bank account can write a cheque for the full amount.

Mr. Toth: — So what you're saying then, any amount of funds in a joint bank account would be accessible to the court.

And the other question, I guess, arises as well: is it possible then for, let's say, a husband or a third party then to instead of forming a joint account, just in turn, say, remarries and put all their funds into the spouse's account. What happens there? Then you don't actually have a joint account there. What happens in that situation?

Hon. Ms. Simard: — We couldn't garnishee that.

Mr. Goohsen: — Thank you. Madam Minister, my question is with regard to people who may travel to other countries. Do we have agreements with other countries so that this legislation can be put into effect through mutually agreed upon interchanges between different countries and that sort of thing?

Hon. Ms. Simard: — We do have agreements with other countries and with other provinces. We have agreements with the provinces, other provinces in Canada, and with approximately 35 of the states from the United States of America. Most of the members of the Commonwealth have an agreement with us, and some other countries as well.

It has to be noted, however, that when we send a judgement over, an enforcement order, over from Saskatchewan to England, for example, that the laws of enforcement in England are what take place. So they would enforce that order under their laws, which may be slightly different. But we do have these inter-jurisdictional agreements.

Mr. Goohsen: — Yes, Madam Minister, thank you. Could you supply the Assembly and myself with a list of the countries that are involved in these agreements? I think it's called reciprocity agreements.

Hon. Ms. Simard: — We'll undertake to do that.

Mr. Toth: — Yes, Madam Minister — and I'm sorry — coming back again to the joint bank accounts, I guess the one . . . in response to the question I just asked, should a person put all their funds into, say, a new . . . or a third party's bank account. I trust then . . . I take it that, first of all, the process of going after arrears and payments that are due, you would look first of all at wages, salary and income, and gain access to a person's income that way before you'd look at a bank account?

Hon. Ms. Simard: — I think it depends on the circumstances. For example, for arrears where there may be a large sum of money owing, we would probably look at a bank account before we'd look at wages that come in on a monthly basis. So it depends on the situation and

how much is owing and what is the easiest method for us to be able to obtain the maintenance money for the spouse and the family.

Mr. Toth: — I guess I would ask the minister then if the minister would look at . . . and most likely your department and certainly you at the same time are . . . in light of the question regarding joint bank accounts, in light of the third party, I would ask that the minister certainly have her department look at ways and means of following through. And should there be a loophole, maybe . . . it appears to me that this legislation is trying to account for some of the other loopholes that have existed, and certainly I guess we're suggesting that we make every effort possible to look at ways in which a person's responsible for payments to a spouse and a family are indeed . . . these funds are collected and indeed passed on to the proper people involved.

And at the same time, Madam Minister, we're asking that the department certainly keep their eyes open and look at any way possible . . . I guess it doesn't matter what you do in our society, people will look at ways they can try and beat the system. And so I guess it's up to us, unfortunately, to have to look at ways in which we can address the loopholes and make sure that people maintain their responsibilities to society.

So I don't really have any other questions, and we will allow the Bill to proceed. But we just wanted to ask you to give your assurances that the department will continue to look at ways of making sure we're covering up on any areas that might be considered a loophole or a way of getting around for one person's responsibility to their spouse and family.

(1500)

Hon. Ms. Simard: — I thank you very much for your comments. And the department will certainly take a look at any ways in the future that they can solve that problem. I know that you are aware of the problem that exists out there, and in fact this Act was brought into place in 1986. And it has proven to be very successful to the extent that the default rate for maintenance payments has gone from an estimated 80 per cent to 32 per cent. And the maintenance enforcement office has collected considerable money for spouses and children in Saskatchewan. So it was a very positive initiative that was taken, and we are hoping to increase the powers of the office so it can continue its good work.

And we take to heart your suggestions that we look at all the loopholes that are there in this whole area of law — maintenance orders and matrimonial property, for example. There are a lot of loopholes that are open. We are aware of that.

Sometimes it's simply impossible to fill all the holes, but it is our intention to make it easier and more effective with respect to maintenance orders. And that's the purpose of the Bill. Thank you.

Clause 1 agreed to.

Clauses 2 to 18 inclusive agreed to.

The committee agreed to report the Bill.

Hon. Ms. Simard: — Mr. Chair, I would like to thank the officials for having helped us during Committee of the Whole.

Mr. Toth: — Yes, thank you, Mr. Chairman. I'd like to as well express our thanks to the minister and to her officials for responding to our questions. Thank you.

Bill No. 8 — An Act to amend The Municipal Revenue Sharing Act

The Chair: — Would the minister introduce his officials.

Hon. Mr. Lingenfelter: — Yes, Mr. Chairman. Seated behind me is Mr. Ron Davis, the executive director of municipal finance; and seated just to my right is Dave Innes, the deputy minister.

Clause 1

Mr. Boyd: — Thank you, Mr. Chairman. I would like . . . we have a few questions we'd like to direct to the minister. First of all, I was wondering if there was any consultation with the minister and SUMA (Saskatchewan Urban Municipalities Association) or SARM (Saskatchewan Association of Rural Municipalities) with respect to this Bill.

Hon. Mr. Lingenfelter: — Mr. Chairman, I just want to indicate to the member that there was extensive consultation went on in the pre-budget period. As you know, the Minister of Finance spent the better part of a month consulting with the various groups and organizations and local government on issues and areas that would be affected by the budget.

I think it's fair to say that when we made this announcement in March 25 in advance of the budget, it came as no surprise to the rural or to the urban municipalities. You'll know that this was budget driven.

I'm not going to go into the explanation of why we are doing a lot of these changes other than to say that we all know the province is in a very, very serious economic situation — \$15 billion in debt. If we want to go into that I can give the speech again but fair enough to say that there was consultation. It was done extensively, and I think you'll know in talking to the officials of SUMA and SARM while obviously they don't like to see revenue cut, they were very understanding and I think statements they've made in the press have basically indicated that.

Mr. Boyd: — Thank you, Mr. Chairman. We appreciate you not going into that long and lengthy speech that you're quite capable of giving. I would like to know what the total dollars that has been allocated to the urban municipalities is.

Hon. Mr. Lingenfelter: — Yes, I want to indicate to the member that it's 53.1 million to the urbans is what is allocated.

Mr. Boyd: — Mr. Chairman, thank you. I wonder if the

minister could indicate what the total dollars being allocated to the rural municipalities is.

Hon. Mr. Lingenfelter: — Yes, that number is 37.5 million to the rurals.

Mr. Boyd: — Mr. Chair, I wonder as well if you could indicate to us how the revenue-sharing formula works.

Hon. Mr. Lingenfelter: — Mr. Chairman, I just want to indicate to the member that on the urban side the formula is basically made up of two main parts. There's the per capita portion which makes up 60 per cent of the amount and the equalization which is 40 per cent.

Then there's actually a third part, but it's wrapped into the per capita which is the base which is a very small amount of money in fact. So there's the two main parts — the per capita at 60 per cent and the equalization at 40 per cent.

I might add for the member's benefit that the pre-budget consultation that went on with SUMA, that they agreed that this percentage be allocated as to the breakdown in the formula.

Mr. Boyd: — Thank you. I was wondering with respect to the urban municipalities, what are the number of communities involved in the Bill?

Hon. Mr. Lingenfelter: — Yes, there's — 580? — 520.

Mr. Boyd: — And the 520 — is the cut-back in the amount of funding to those communities equally shared or is there some communities that will receive more or less compared to others?

Hon. Mr. Lingenfelter: — For the member's information, there will be some variance based on the distribution formula. There's a safety net that cuts in at 17 per cent, so while the average is 15, the maximum that there could be would be 17. So there's some small variance that in fact can occur.

Mr. Boyd: — Thank you. I wonder if you might be able to provide the Assembly and myself with the cut-backs per community, please. Just table the information or pass it over would be fine.

Hon. Mr. Lingenfelter: — Yes, I'll see that the member gets that at the earliest convenience.

Mr. Boyd: — Thank you. Now I'd like to pursue the rural municipalities along the same line of questioning, I guess. There's approximately, I suspect, about 200 rural municipalities. What's the exact number and could you give us what the . . . if there's any variance in the revenue sharing for those municipalities?

Hon. Mr. Lingenfelter: — I want to indicate that there are 298 jurisdictions that you refer to. As you know, the average is 7.4 per cent. And there will be some variance. This is based on the amount of roads maintained and built or constructed in the RM (rural municipality), and it's based on the equalization formula. And it's my understanding that Rural Development actually has that in their budget, and I'm not sure what the exact

breakdown is on the equalization formula.

Mr. Boyd: — Could you provide the breakdown per municipality for us, please? And send it across is fine.

Hon. Mr. Lingenfelter: — I'll get you the same list as I was getting for the urbans.

(1515)

Mr. Goohsen: — Thank you, sir. Mr. Minister, you made a statement a few minutes ago that you had consulted with rural municipalities and that they weren't surprised when you came up with your figures. Well I want to assure you that as a reeve — acting as a reeve at the moment — of a rural municipality, I was both surprised and shocked when we found out the result of what your announcements were going to be. The 7.4 per cent that you indicated was not such a surprise or such a shock, but the result of the way that it is implemented and works itself through the system is more than a shock to some of us.

Now we have municipalities, sir, that claim to me in correspondence that we have 22 per cent decrease in the funding, another municipality reports 44 per cent decrease, and we have even one that reports an 80 per cent decrease. And my question, sir, is how do these variances occur and can you explain to us the workings of this formula that results in these kind of changes? And if all of the RMs that I have been talking to are in fact having decreases, how do you manage to come up with a 7.4 per cent average?

Hon. Mr. Lingenfelter: — The member shouldn't have been surprised at the changes. I say, in consultation with the government, with the municipalities organization, SARM, it came as no surprise that there would be these kind of contractions in the system. And for someone who was associated with the previous government as closely as you were and watched the deficit go up at a spectacular rate, I think . . . I have a hard time believing that you were shocked that the new government had to do some things to bring the house in order. Because the option to that would be to contend with the spending spree that the previous government had been on.

I know what you're saying. I know full well what you're saying, that we should have continued to borrow the money against the future of our children and spend it everywhere at the same rate. I'm not going to get into an argument with you, but it's fair to say that I don't agree with you.

I think it's very necessary for each government, just as in a business or in a family, you have to live within your means. And I totally fail to agree with you that you can go on spending a billion dollars a year more than you're bringing in in taxes. The province simply can't sustain that. And for you to say that you were shocked and surprised that there were some contraction in the spending of the government, I have a hard time believing that you were shocked, knowing that we were \$15 billion in debt.

As it comes to consultation, my understanding is that the

Minister of Finance consulted with SARM extensively and that his staff consulted in advance to the budget decisions being made.

Mr. Goohsen: — Thank you. I think, Mr. Minister, in all due respect, that your answer was nothing more than a bunch of political claptrap and you never even got close to attempting to answer the question.

The 7.4 per cent that you announced certainly would not have been a great shock or a great surprise if in fact that had been the figure, which is what I alluded to when I addressed you a moment ago. The fact of the matter is that RMs are reporting to me 22 per cent as their reduction, 44 per cent as a reduction, and 80 per cent in one case. If every municipality in the province that I talk to has a decrease more than 7.4 per cent, then how do you come up with an average of 7.4 per cent? I would like you to explain to this Assembly how you arrive at those figures.

Hon. Mr. Lingenfelter: — Well I guess I . . . I really wonder about the member in his approach here. I wonder if I could just ask the member a question, if he knows what the level of funding was in the last budget that your government brought in. Do you know what the cut was in that budget?

Mr. Goohsen: — With all due respect, Mr. Minister, I do in fact know the answer to the question, and I think you already know that I know that. And I'm not going to tell you the answer to that because, as my duty in this House is recognized in opposition, it is for us to ask you the questions on this year's budget, not on what happened in the years gone past.

And you still have not answered my question as to how you come up with this figure and what formula you in fact used. You haven't showed us anything, and I reiterate once more to you that we would like you to answer those questions.

Hon. Mr. Lingenfelter: — I want to give you the formula we used. As you know . . . as you've indicated but you won't indicate to the House, the cut in last year's budget, in the budget of the members' opposite, was 15 per cent. And our formula was to cut in half the amount of your cut.

So in fact you had twice as much cut in the last budget that you folks did than we're doing now. So for you to stand sanctimoniously and say, I can't understand how you could have a 7.4 per cent cut when you had a 15 per cent cut, tells you about the honesty and integrity of the members opposite. You're no more shocked than the man in the moon. You knew full well that there would be these kind of cut-backs because you were making them even to a greater extent in last spring's budget.

So don't stand here and tell us about how shocked and terrified you are at a 7.4 per cent decrease when you cut it by 15 per cent. Where are you getting off playing this game? You know as well as anyone that you folks drove this province to a debt of \$15 billion. And you were beginning to admit it in last year's budget when you announced and had included a 15 per cent cut. You know that.

So don't tell me that you're shocked and surprised at a 7.4 per cent cut, which is half of what you were recommending. That simply isn't being honest with the members of the Assembly, and more importantly it isn't honest with the rural municipalities in Saskatchewan.

And I believe the member opposite was a reeve at the time when the last budget was introduced, and he would have got notice from the Conservative government that the rate was 15 per cent cut. I want to ask you, what did you do as a reeve of your municipality in letting the member from Estevan know that you weren't happy with the 15 per cent cut?

Mr. Goohsen: — Thank you, Mr. Minister, for not answering my question. It allows me some more time to ask it again.

To begin with, yes you're correct, I was a reeve. And yes, the amount that was cut last year was 15 per cent and it was based on revenue sharing on gravel programs and on maintenance — specific programs. And those programs were cut a specific amount that you could identify and predict with a calculator when you sat down and did the mathematics.

This year however we have supposedly a 7.4 per cent reduction that turns out to in fact be not based specifically on these items, and we can't tell just yet what it's based on because you haven't answered our question. And we want to know, what is it truly based on; what is the formula for rural municipalities; how do you come up with this figure? Why do some municipalities have 22 per cent reduction, other municipalities 44 per cent, other municipalities 80 per cent reduction in their cost sharing?

How did that happen, how do you explain this, and how do you call that a 7.4 per cent reduction and how do you compare it at all to anything that happened with the past administration which incidentally, just for your information, I protested as vigorously last year as I will this year because the choices of cutting in rural municipalities is not a good choice then and it's not a good choice now.

Because this province needs to have a road network that works for rural people, and we're not able to supply that if we continue to down-load from the provincial government. And you're down-loading, that's what's happening. So could you answer the question: how does this formula work in rural Saskatchewan and why does the 7.4 per cent not show up with any municipality that I've talked to?

Hon. Mr. Lingenfelter: — If the member would have been listening, I mentioned in an earlier question — it may have been from the member from Kindersley, however — that we based the formula on road maintenance and road building and construction and based on an equalization formula. And it was done after considerable negotiation and consultation.

And I wonder if the member would table here in the Assembly his letters of protestation to the then premier, the member from Estevan, over the proposed 15 per cent cut to municipalities. Can you table those letters for us?

Mr. Goohsen: — I don't believe, Mr. Minister, that I indicated that I wrote letters. I know the former premier personally well enough that I delivered my protests in person. If you will also read *Hansard* from last December, you will find that I lodged a considerable complaint against that particular cut, which your government finished off with a Bill in this legislature. And I protested it at that time and it's on public record.

Now if you would be so kind, sir, as to talk for a minute about the consultation that you never had with SARM and/or with SUMA, you might indicate in all fairness to the people of this province that those consultations must not have been very effective. Because I am told just of late that SARM is attempting to find out what this formula is and exactly how it works, because they can't figure it out. They want to know if in fact there has been an error in the mathematics.

They are not questioning your principles, sir, nor are they questioning your integrity, but they are questioning the possibility that there may have been mathematical errors in applying the formula. And because none of us can get hold of an exact copy of what that formula is, no one who is a mathematical expert has been able to put it to the test to find out if in fact you have an average of 7.4 per cent in your reduction, as you claim; or if in fact those municipalities that claim 80 per cent decreases in funding along with those that have the 44s and all the rest that I've mentioned to you, in fact would come up with a figure that is not 7.4 per cent.

Obviously if you decrease several municipalities, you must have some that are in the opposite direction. We would like to know, sir, can you supply us with a copy of the formula and how it works exactly on paper so that we can find out how this mechanism is put in place? Because it's not the system we had last year.

Hon. Mr. Lingenfelter: — Mr. Chairman, I want to indicate to the member for Maple Creek that the president of SARM, Mr. Bernard Kirwan — I've had a number of meetings with him since the election. While not specifically related to this issue, I'll take it upon myself after we complete the Bill, I'll give Bernard a call and we will talk about the cuts that we are having to face as a result of the \$15 billion debt.

But my assumption is here, knowing that that member and his government when they were in power had proposed a 15 per cent cut, that there's a fair bit of politics being played with the . . . or attempted to be played with municipalities. And that surprises me. The member opposite, being a reeve or a former reeve, knows full well that one thing that RMs don't like is this attempt to inject partisan politics into the running of the municipal organization. And I'll get you the formulas as to how it works because it's very simple and I think the member opposite will be able to understand it.

But I want to say to you that I will be approaching Mr. Kirwan and finding out whether or not the complaints that you're lodging here, that you took the same complaints when you were facing a 15 per cent cut by your political party only a short year ago. My bet would be that you

didn't write any letters at the time and that you didn't have a lot of protest because it was being done by a government that you supported and were getting ready, in a very tough nomination, to try to win the nomination for your political party.

And I guess what's interesting is how things change once that individual got elected.

Mr. Goohsen: — Thank you, Mr. Minister, for that assurance that you will in fact finally agree to deliver to us a copy of the formula so that we can figure out what's going on.

You have made several implications about political intentions and I say to you that you are playing a media political campaign now and not a campaign with rural municipalities and their money. You're attempting to tell people that there's a 7.4 per cent decrease in funding when in fact it turns out to be 22 per cent in one municipality and 44 in another and 80 per cent in another. And you have not yet explained to our satisfaction, sir, how exactly these figures are arrived at.

But I am happy that you're going to consult with Mr. Kirwan, the president of SARM. It is enlightening to me, and I'm very happy that you're going to question him about my activities in the past because you will be quite happy to learn that Mr. Kirwan is the reeve of the RM of Gull Lake. I am the reeve of the RM of Carmichael. We share the same office. We are neighbours in the same town. We converse a lot. We don't have to send letters to one another. We greet one another on the post office steps on a lot of days and we discuss a lot of these things and we certainly did protest past cuts as we will this one — and have done — at the SARM convention level.

And if you will check the minutes of those meetings, you will find that the councillors and Reeves of this entire province have protested cuts over the past years. It hasn't been restricted just to a few people.

Now, sir, that we've finished with the political rhetoric — possibly — perhaps you could be kind enough to explain to me out of the \$37.5 million that you say that you are presently going to be giving to rural municipalities — I believe I got that figure from you and I hope I got it right — how much is given to each municipality? Can you give us that figure, possibly not today, but if you could give us a written documentation of how much each municipality will get and what percentage of reduction that is to each municipality, and of course if there are some that got an increase, we'd appreciate knowing that as well.

(1530)

Hon. Mr. Lingenfelter: — I guess we can continue on here, Mr. Chairman, but these questions are all being repeated. I already indicated to the member for Kindersley that I'd get him the list and send it to him at the earliest convenience. But I mean if we want to keep asking the same questions over again, it's no problem. But I did indicate already that we would get that list of the \$37 million breakdown.

Mr. Goohsen: — Thank you, Mr. Minister. I was under

the impression that you'd made that commitment for the urban and I wanted to be sure that you were making that for rural as well.

Now in past it has come to my attention that when municipalities were asked to take cuts, there were maximums placed on those cuts. For example, when a 15 per cent cut was made, if there were some error or margin of error needed because of the differences in equalization or whatever that you've explained before — and I won't go into the details how that all works — but apparently there was a maximum put on how much anybody could be cut by say, for example, maybe 17 per cent.

Have you determined to also put a maximum amount on the figure that you're going to use for an individual municipality?

Hon. Mr. Lingenfelter: — Yes, what I want to do is get the list for you which will clearly outline . . . and I won't only get the cuts for this year, I'll get it for the previous year as well. I'm not sure about the safety net you talk about in Rural Affairs. My officials with us today don't recall there being a safety net. But I want to take a moment and get Rural Affairs to get the documentation for me and then I'll . . . if there is a safety net, or was, I'll get that to you.

Mr. Goohsen: — Thank you, Mr. Minister. That'll be very much appreciated and the comparison will be appreciated as well.

I have another question with regards to these cut-backs. Now you have made some statements that justifies that, but in reality what happens is that as you down-load the costs of running a municipality by reducing the amount of provincial money available to rural municipalities, you create some very distinct problems in our municipalities. And unless a municipality is in a position where they are to justify increasing local taxation to farmers and business men, then they find themselves with less dollars to work with. And that's obvious.

Have you done any research as to how the effects of your cuts will affect rural municipalities in terms of how many jobs will be lost and those kinds of things that are the direct result out in the country?

Hon. Mr. Lingenfelter: — Yes, there's no doubt that the member is right in that cuts to municipalities are difficult and that the same tough decisions that are being made at the provincial level, as a result of your mismanagement, is now having to be made at the municipal and RM level.

But the simple fact is, when you have had a government that has squandered literally billions of dollars on mismanagement and waste, that somebody's got to pay. And basically the only people who can pay for your mistakes are the taxpayers. That's the sad situation.

There are many people in the province who think that the members opposite should pay — that you, in fact, sir, as a member of that caucus who were responsible for the \$15 billion debt, should have personal responsibility for that. I keep hearing it over and over again.

And if you want to divvy up and pay for some of the

mistakes of your former premier and leader, I'm sure that we would be interested in how you would do that, or if you've got some positive suggestions about what you would do in order to keep the payments at the same level as last year. Would you cut more health care programs? Would you increase taxes more? Would you run the deficit higher? I guess when I sit down I would like to hear from you, not only that you want more money spent on RMs, but where do you think the money would come from?

Do you as the . . . Many of the supporters in my constituency believe that the Conservative members should pay an extra levy in order to help pay off the debt. Because . . . I don't argue that point but I know there are many, many people in the province who do think that there should be some personal responsibility on the members who drove the deficit up to \$15 billion.

So I agree that this is difficult. I agree with that. But I wonder now if the member would stand in his place and tell me where the money should come from in order to get the extra several millions of dollars that he's suggesting we put into the revenue-sharing pool. We've already cut the salaries of cabinet ministers. We've frozen the level that MLAs get. We've cut the advertising, which was at a very, very high level, by 30 or 40 per cent. We've put some very serious restrictions on travel by cabinet ministers. We've kept the cabinet at a very, very much lower level than the previous government.

Can you tell me: do you think it's the responsibility, for example, of previous members to be helpful in bringing forward positive alternatives?

Mr. Goohsen: — Thank you, Mr. Minister. I searched diligently through that preamble for the answer and didn't hear it at all.

Just for your information, sir, I've been the reeve of my municipality for a long time, and a councillor for quite a while before that. And in the last 11 years we have maintained our mill rate at 37 mills with no increases for 11 consecutive years. If you had learned from that type of example, which is displayed by many, many municipalities throughout this province, you would not have had to cut \$46 million out of agriculture and then come up with a \$517 million deficit on top of it all this year.

If you used a little bit of the sense that's used in rural municipalities in balancing budgets, you'd know how to do it. And I expect you have the ability to find that kind of information out, although you certainly don't seem to be expressing it today.

My question was, how many jobs, in your research, are going to be lost as a result throughout Saskatchewan? How many building contracts will now be cancelled? How many building contracts will not be offered? How many building contractors are going to be going broke in this province as a result of your decisions? And will there be some alternative programs for those people?

Now you've got a whole bunch of nice questions you can answer. And when you get done with that I want to talk to

you a little bit about the gas taxes and how they're going to affect our municipalities.

Hon. Mr. Lingenfelter: — Well I want to indicate to the member that this conversion happened awful suddenly. I would be very interested to be a fly on the wall when you used to have discussions with Minister Joan Duncan from Maple Creek while the deficits were running rampant. Or whether or not at PC conventions you took Devine in a corner and shook him a bit as he was driving the deficit higher and higher, and whether you got a positive result from him.

But in terms of how many jobs will be lost if any, it will be about half of what it would have been if we had implemented your 15 per cent cut.

Mr. Goohsen: — I believe that you in fact, with all due respect, Mr. Minister, did in fact implement the cut last December that was proposed from the year before's budget. So I want to ask you, seeing as how you've managed to not answer the last questions, you have imposed a 13 cent gas tax on municipalities in the past budget here. Now in past, administrations have allowed rural municipalities to be exempt from those taxes through applications and providing of receipts and that sort of thing. Do you have any intentions of doing that through Rural Development or through any other branch of government?

Hon. Mr. Lingenfelter: — Well first of all I want to indicate that the first 10 cents of the 13 cents was put on by your government, and you know that. And you really should try to be more honest in the committee and say look, we put on 10 cents tax and were wondering why you put on 3. But I'm not sure what your argument is. If you think we should have put on the 10 that you did to make it 20, if you're arguing that we should have put on 20 cents, then I simply don't agree with you.

But for you to say that we put on 13 cents, you know that isn't honest. And you know that your premier the member from Estevan and the member from Morse who also was in cabinet at that time, and the member for Thunder Creek, voted to have the 10 cents put on municipal governments on their fuel.

Can you comment on that? Were you upset at the time that you put on the 10 cents? And did you write letters as a reeve to the premier, or did you go to your PC convention and argue vehemently that the 10 cents not go on? When did you get converted to the idea that there shouldn't be tax on fuel for RMs?

Mr. Goohsen: — Well, Mr. Minister, for your information, it's not necessary to lobby a government to take something off that you receive an exemption for at the end of the year, and a rebate for. And you had the 10 cents rebated to municipalities. And if you would have listened carefully to my question, you could have avoided all of that political humdrum again and gotten to the answer which is: will you as well be rebating the taxes that are placed on gasoline and diesel fuel used by rural municipalities? Will you be making that option available to rural municipalities, as was done in the past and is done for school units? — or was.

Hon. Mr. Lingenfelter: — When it comes to rebates that Rural Affairs would give out to rural municipalities, I will just say to you that these are very good questions for estimates on Rural Affairs.

At this point, being the minister bringing the Bill through, I don't know what the plans are in Rural Affairs, but I would imagine in the next or so we'll be doing Rural Affairs. And I'd ask the member to just sit on that question and bring it back up at that time.

Mr. Boyd: — Thank you, Mr. Chairman. Well I find it a little bit disturbing, the kind of answers that we've been receiving this afternoon, Mr. Chairman. It's unfortunate that the minister . . . the House Leader has to take responsibility for the minister in their absence. It's unfortunate that the minister responsible wasn't here this afternoon to . . .

The Chair: — Order, order. I will ask the member, as you're aware, it is not appropriate to refer to a member's presence or absence, and I'll ask the member to follow that guideline, please.

Mr. Boyd: — I'm sorry, Mr. Chairman, I wasn't aware of that.

The minister who's answering the questions this afternoon wants to deal with the political answers for all of these types of things. And if they want to do that, we can do that quite well as well. We can go into that all afternoon, if you like, Mr. Minister.

But I think that the Bill is what we're looking at here this afternoon. And while we had some difficulty getting some answers on some of the things, it's important I think to recognize that they are being cut back. We want you to be able to confirm to us with respect to the urban municipalities as well as the rural municipalities, that the cut-backs are what you say they are.

And with respect to that, I think it's important that you provide that information to us, the breakdowns on the urban municipality cut-backs and the rural municipality cut-backs, as soon as possible. And we would ask the minister if they will be able to provide that information to us prior to estimates, so that we can go over that information.

Hon. Mr. Lingenfelter: — As I indicated now I think for the fourth time, Mr. Chairman, I intend to do that and we will give the list, I would expect, tomorrow.

I want to say to you that the way we got into this issue of political statements during committee on this Bill was when the member for Maple Creek sanctimoniously stood in his place and said he was shocked by the fact that there was going to be a cut to rural municipalities when his government had proposed a much higher rate of cuts. That's how we got into that.

The only point that I make is . . . and I'm trying to answer every question that you put to us. I've answered now four times the issue of giving you lists of RMs and urbans and the amount of grant that they're going to be getting, so it's

not that I'm avoiding. But when the member from Maple Creek rises in his place and talks that he's very disturbed and upset at the cuts, it really isn't legitimate when his government was doing much more of that very thing.

Mr. Boyd: — Thank you, Mr. Chairman. When we talked about sanctimonious people, I suspect that the minister would have some difficulty looking himself in the mirror when he talks about those kinds of things.

I wonder if the minister would be able to provide for us today which municipality in the province received the largest cut-back, if he could just provide us with one piece of information.

Hon. Mr. Lingenfelter: — What I intend to do is give you the full list. I think I can get it ready by tomorrow but I just don't have those numbers here, and I'll get those for you.

Mr. Boyd: — Well, Mr. Minister, surely with your officials there this afternoon you could provide us with the name of the municipality — one name of one municipality — that received the largest cut-back and what in percentage term that cutback was.

(1545)

Hon. Mr. Lingenfelter: — As I indicated, you're asking for the one jurisdiction of cuts. I can give you that because I gave it to you earlier. But for all of the urbans, of the 520, I can give you the maximum for all the 520, that the maximum is 17 per cent.

Mr. Boyd: — Thank you, Mr. Chairman. I was only asking for one. If you could give us the name this afternoon if you can, please, the name of which urban municipality received the largest cut-back and which rural municipality received the largest cut-back, and what those cut-backs were in percentage terms.

Hon. Mr. Lingenfelter: — I just did. I tell you that in the urbans, of all of them — I don't have the list of exact names — but the biggest cut, the biggest cut is 17 per cent.

And I find it interesting, Mr. Chairman, that half an hour ago when they asked that question, the member was very satisfied that I was going to get him the list. Now he's becoming very agitated because we don't have the list. And I don't know whether it's because somebody has talked to him, or what. But I intend to get you the list tomorrow of all of the municipalities and the level of grants and the changes that have occurred. And I mean we can keep debating this till tomorrow and I'll bring it in tomorrow, but that commitment satisfied you half an hour ago and I'm not sure what has changed.

Mr. Boyd: — Mr. Chairman, that commitment did not satisfy me a half an hour ago. The commitment of the providing all of the information satisfied us. I'm only interested in one municipality right now. If you could provide for us this afternoon the name of the municipality that received the largest cut-back, and in percentage terms, what that rural municipality was.

I appreciate your answer with respect to the urban

municipality receiving a cut-back of 17 per cent. Now if we could deal with a rural municipality: what is the name of the municipality and the percentage decrease that they'll receive this year?

Hon. Mr. Lingenfelter: — As I indicated to you, the average cut, the average decrease is 7.4 per cent. As you know, this falls in the area of Rural Affairs. I'm putting together the total list for you for tomorrow.

Obviously we don't have the number here, but I do have it for the urban municipalities and the maximum or the safety net limit was 17 per cent. And that will be the maximum that any of the urbans have in reduction.

Mr. Boyd: — Thank you, Mr. Chairman. Well if that's the best we can do, I guess that's the best we can do. We'll have to wait until tomorrow. But I find it interesting that the minister wouldn't be able to put his finger on that kind of information. We're only asking for one simple answer to one simple question.

But if that's all that there is we'll . . . we will wait until estimates to ask the minister who is responsible, who hopefully does have the answers to those questions.

And I appreciate the opportunity to ask some questions. I appreciate some of your answers. Some of your answers, sir, I think this afternoon were of a very political nature and I find it disturbing that we had to go through all that.

I think it's important, Mr. Chairman, that when we ask these kinds of questions, particularly as new members to the Assembly, that it's important that the minister answers to the best of his ability on those things, and if the minister can't, the minister responsible for the Bill should be able to answer those questions. So I guess we'll leave it at that and ask that the minister is able to provide that information to us as quickly as possible.

Mr. Goohsen: — Thank you, Mr. Chairman. I want to clarify for the minister one little point: the RMs of this province were not so much shocked by getting the reduction and nor were they so terribly shocked to find out that it would be 7.4 per cent. They obviously would not like to have that happen but they probably would have been willing to try to work with you to get the province working and make all these things happen that need to happen.

But what they are shocked and dismayed at was the devious way that the percentages are distorted. The 7.4 per cent has not in fact been 7.4 per cent for any one municipality that we are able to identify. We find municipalities with an 80 per cent decrease. We find municipalities with 44 per cent decrease. We find municipalities with 22 per cent decrease. But we find absolutely none with 7.4.

And my question is, Mr. Minister, how many RMs will be forced into bankruptcy with the devious percentages of decreases that you are perpetrating on them today?

Hon. Mr. Lingenfelter: — Well I want to say that in closing — I guess that's what we're doing here is closing this round — but the Minister of Rural Affairs just stepped

in and I asked him how the formula differs. He says there's 24 points to the formula and it's exactly the same one that you people used when you did your cuts.

And somewhere the previous premier or the minister will have that. The devious cuts as you referred to them, Mr. Member from Maple Creek, is the same devious formula that you people had when you did your cuts last time.

But if you've lost that document, I'll get it for you so you know the devious nature that was perpetuated on the RMs was designed by your government.

Mr. Goohsen: — Thank you, Mr. Chairman. Mr. Minister, with all due respect, we will be happy to examine the information that you're going to supply us and we will be happy to try to discover for ourselves why everyone has more of a decrease than what you purport through the media. And we'll be happy to try to find that out for ourselves and to investigate that information for ourselves because you are unable to give it to us.

Unfortunately we had been led to believe that it was your responsibility to answer the questions here and that you would in fact have this information for us.

I will go back and repeat the question that you didn't answer. How many rural municipalities do you estimate will be put into bankruptcy as a result of your down-loading and cut-backs?

Hon. Mr. Lingenfelter: — Well just finally in closing, I know that . . . well we can go on as long as you want. But I know the member opposite asking the question is a reeve.

The minister indicates that he was sent a letter, that individual from Maple Creek, with the complete formula. When the announcement came after March 25, you received a letter that included the full formula as it would affect your RM, and that's the formula that affects all RMs in the province. And we can get that formula for you again.

But for you to come here and say we have no idea about the devious formula when it was sent to you from the government, I'm not sure we could come and read it to you, but you have that somewhere in your RM office. But I'll get it for you again.

Mr. Goohsen: — Thank you, Mr. Chairman. The only word that properly describes your statements is not parliamentary and I won't use it. We do not have your formula and I have not been sent that formula. And if we have, it is lost in the mail and I will give you the benefit of the doubt that possibly that's where it is. It certainly has not crossed my desk and I certainly have not seen it.

And so I will thank you for saying that you will deliver it. And we who are in the municipal system must say to you that we are very displeased with not only your arrogant display here today, but your lack of response to letters and correspondence and phone calls from many municipalities throughout this province on these very critical issues.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

The committee agreed to report the Bill.

Bill No. 5 — An Act to amend The Wascana Centre Act

Clause 1

Mr. Boyd: — Thank you, Mr. Chairman. I see in the Bill, after studying it the last while, that there will be a reduction of 5 per cent to the Wascana Centre Authority. And I just wondered if the minister could tell us the total number of dollars that the Wascana Centre Authority will be receiving, and what they did receive last year.

Hon. Mr. Lingenfelter: — The amount for this coming year is 833,190, and that would be 5 per cent less than what it was last year.

Mr. Boyd: — Thank you, Mr. Chairman. Does this represent to the Wascana Centre Authority any problems as you see it, Mr. Minister? Will they be cutting back on any jobs? Or was there any consultation with the Wascana Centre Authority before this Bill was introduced?

Hon. Mr. Lingenfelter: — The member opposite will want to know that obviously when there are reductions and contractions in these kind of systems that it's difficult for the people who administer the programs.

Having said that, we were faced with the unenviable task of trying to clean up a mess of 10 years of mismanagement and waste, \$15 billion in debt, and we're trying to do this as evenly handed as we can. It's clear to everyone in the province who has watched the previous government operate that we were positioning ourselves for a disaster if someone didn't come along and take the bull by the horns and get a handle on the ever-increasing mountain of debt. We've done that.

For the Wascana Authority, we wished that we were in a position obviously of increasing the amount of money we give in grants, but we weren't. And a 5 per cent allowance of a reduction seemed to be the number that was in order where basically the structures could be maintained. Obviously new and exciting expansions aren't going to be in the works, but if we get the debt under control and the province turns around some day soon, with the proper management we will be in a position to put back into place increases, as we did when we were managing the province some 10 years ago.

Mr. Boyd: — Thank you. I wonder if the minister could indicate the number of jobs that will be lost as a result of this measure.

Hon. Mr. Lingenfelter: — We're hoping that there won't be any, although the Authority will have to work that through. And it becomes a question of whether you maintain the same number of staff and do your contraction in other areas in terms of maintenance or in terms of expansion. We're still hopeful that the number of jobs that were available last year in the Authority will be maintained this year, but that still has to be worked out.

Mr. Boyd: — Mr. Minister, while we recognize that the province is certainly facing difficult times, I find it difficult to understand that while in opposition all of the Regina MLAs at that time suggested that when they reached government, if they ever did — and they have achieved that goal — when they reached government, that they would increase spending in a number of areas, and the Wascana Centre Authority was one of the areas that they would be increasing spending in.

And I would just wonder how you could . . . at the same time as promising to make the commitment to the people of Saskatchewan that you would increase, you in fact have decreased the amount to the Wascana Authority.

(1600)

Hon. Mr. Lingenfelter: — What we want to clearly indicate is that we know that this is not an easy exercise. We also want to make it clear that we do intend as a government to increase spending on things like parks when we can afford it.

The main thing that people voted for in the election — I could get out the platform card if you care to hear the litany — but was on the theme of fiscal responsibility and balancing the books of the province. And this is a very small part of getting the financial house in order. And when we do that, and when we get things in order, then we are committed, yes, to improving parks and spending more money.

But obviously you know in your own household, and if you've been in business, that you simply can't go on spending more money than you're taking in. So the first point is to get your spending under control where your income equals the amount that you're expending and that your expenditures and income are in balance.

And that's going to mean that we're going to have to tighten up in many, many areas, including in the Wascana Park. Now it is unfortunate we have to cut back 5 per cent. But having been elected to clean up the mess of the previous administration, everyone has to do a small bit to make this happen, and therefore the 5 per cent cut.

Mr. Boyd: — Well thank you, Mr. Minister, for your advice with respect to my household management. I'll take that under the kind of advisement that I'd normally take advice from someone such as yourself.

When you talk about why you have to make those kinds of cut-backs and how when you're managing your household you have to be responsible in that kind of management, I understand exactly what you're talking about, Mr. Minister. But I don't go around when I'm looking at that kind of fiscal management, Mr. Chairman, and make all kinds of promises then.

I look at the situation . . . and I am an employer and have a couple of businesses. I don't go and tell the people within my businesses that we're going to make a bunch of changes around here, we're going to increase the amount of spending around here, and then when budget day rolls around say to them, oops, sorry, I guess we won't be

doing it any more, folks, because we found things are different than what you thought they might be, when in fact you knew all along what they were.

So I find it a little bit irresponsible that the minister would suggest that while on one hand they would increase spending when the money is available, yet on the other hand they go around and make all kinds of wild promises that they would do it in advance of an election when people are making a decision based supposedly on the facts.

Mr. Minister, while I find it important I think that governments try and get their house in order, as you've suggested that you're trying to do with this one, I'm not sure that cutting back in all areas such as the parks and highways and agriculture are the areas that you should be cutting back in. And I'm just wondering if the minister could elaborate to us when they feel that they will be in a position to make the kinds of changes in spending that they have promised.

Hon. Mr. Lingenfelter: — The member might be interested in knowing that we had made a commitment to attempt to balance the books in our first term of office. You will know that from documents you will have read.

But when the member talks about a 5 per cent cut being intolerable and difficult for the park to deal with, I wonder if he remembers back to 1982-83 when your government cut the same park by 20 per cent. And the member sitting beside you will remember full well because he was in the caucus at that time. And if he didn't vote in favour of the cut, he then lost his vote. But the Wascana Park was cut by 20 per cent. And that was at a time when things were in a much, much better state of affairs.

And here again it goes back to what the previous discussion was on Bills. And I don't want to become political, but for you to stand here and say politically that we're cutting by 5 per cent and that's horrendous for the park, knowing full well that your government cut the same park by 20 per cent the year after the election in 1982, doesn't ring true.

And I wonder, Mr. Member, if you can tell us about where your concern was of your government and the member from Estevan in 1982 when you cut the same park by 20 per cent. Do you want to explain that to the Assembly?

Mr. Boyd: — Thank you, Mr. Minister. While you continually want to deal with the past, some of us in this province would like to deal with the future. And that's what I understand you're attempting to do in this Bill here. It wasn't me that went around and made all kinds of promises to everybody about increasing spending; it was you and the members responsible for that kind of action from the MLAs in Regina. I didn't go around making those kind of promises. It was you folks that did that.

Now maybe we could get down a little bit into the heart of the Bill. I wonder if the minister could provide us with the information on the statutory formula that's apparently been set aside.

Hon. Mr. Lingenfelter: — Just a comment to the member.

I mentioned earlier that the total budget for the Wascana is \$833,000. And as you know, the former premier last week on Friday was arguing for us to spend an extra \$6 million on the Dr. Mainprize Park down in his constituency; and knowing that you've already spent \$6 million — wasted, I might add, in that park — for yacht slips and docks and fancy operations that are second to none anywhere in Canada. And even on the sports page of Saturday's *Leader-Post*, the golf club in Estevan and in Weyburn talked about not knowing what the PCs were thinking about when they wasted that \$6 million in Dr. Mainprize Park.

That \$6 million that you wasted there and forced this government even to spend more money on, could have been well used in existing parks around the province, including the Wascana.

But I want to say that when it comes to the funding formulas, the statutory portion funding, this excluding maintenance payments is 1.7 Regina mills. And the participating parties' share of the totals: the province is 55 per cent; the city is 30 per cent; and the university, 15.

And I've got similar numbers for the other parks that we'll be dealing with and I'll send those across to the member so he doesn't have to worry about writing them down. I'll give you those so you have them while you do your analysis.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

The committee agreed to report the Bill.

Bill No. 6 — An Act to amend The Meewasin Valley Authority Act

Clause 1

Mr. Boyd: — Thank you. We just have a couple of quick questions with respect to this Bill. Most of it deals with easements, and as well the funding for the authority. I wonder if the minister could tell us what the total number of dollars going to the Meewasin Valley will be.

Hon. Mr. Lingenfelter: — Yes, the provincial portion — I think is what the member is asking for — is \$789,100.

Mr. Boyd: — Mr. Chairman, a question for the minister. Is there any changes in the amounts of the participating parties' shares of the total amount?

Hon. Mr. Lingenfelter: — Yes. I just want to indicate to the member that they're all down by 5 per cent, and it's part of that list that I sent to him.

Mr. Boyd: — Mr. Minister, no, I was wondering if there were any changes in the formula relative to last year.

Hon. Mr. Lingenfelter: — It's my understanding in asking officials that the formula remains the same as it was in previous years.

Mr. Boyd: — Does the minister expect there to be any job

loss as a result of this Bill?

Hon. Mr. Lingenfelter: — We, I guess I'll say, expect not; again maybe a better phrase is "hope not." Similar to the Wascana, we're hoping that the 5 per cent can be achieved in other ways, possibly in expansion, new programs. But in terms of jobs, we hope that the same number of jobs will be maintained.

Mr. Boyd: — What I would just wonder quickly, if the minister would indicate if there was any consultation with the Meewasin Valley Authority?

Hon. Mr. Lingenfelter: — Yes, there was consultation at the ministerial level — met with the board and explained the financial dilemma that the province was in and discussed the potential of this kind of a cut.

Mr. Boyd: — I wonder if the minister might indicate to us what kind of effect this may have on the university funding, whether there's any changes with respect to the funding for the university?

Hon. Mr. Lingenfelter: — It's my understanding that the same commitment will be there from the university as was there previously. The same essential funding will come from the university as per the formula. The formula basically hasn't been changed, so the university will still be responsible for, I believe, 29 per cent . . . twenty-nine and one-third per cent.

Mr. Boyd: — Thank you, Minister. I wonder if he might be able to indicate to us what the intent of the changes with respect to easements are?

Hon. Mr. Lingenfelter: — Yes, they're in fact . . . will allow for voluntary easements. I want to make that clear: that it's voluntary easements for Meewasin to build foot and bike paths between the park and the Wanuskewin Park that is being constructed, and my understanding, will be open some time this summer in Saskatoon.

(1615)

Mr. Swenson: — Thank you, Mr. Chairman. Can the minister tell us what portion of the province's statutory grant goes toward the Wanuskewin Heritage Park?

Hon. Mr. Lingenfelter: — Mr. Chairman, it's my understanding that under this Bill that none of the funds from this Bill will flow to the Wanuskewin.

Mr. Swenson: — So the minister is saying that under the previous funding arrangement with Meewasin that there was no cross-over at all between Wanuskewin and Meewasin as far as the province's statutory grant.

Hon. Mr. Lingenfelter: — Mr. Chairman, it's our understanding that there may have been, in the initial start up of Wanuskewin, that some of the money may have transferred but there is no intention of that taking place this year.

Mr. Swenson: — Does the minister know if there was any consultation between the Indian bands? Have all been . . . The Wanuskewin project and the proposed changes that

the government is proposing with Meewasin, was there an ongoing discussion with those Indian bands?

Hon. Mr. Lingenfelter: — Mr. Chairman, you may be interested in whether this is on topic or not. I mean I'll answer it, but I think we're getting off of the beaten path here.

I don't know for sure whether Meewasin Authority had consultation or not with Indian bands as to where they appropriate their funding. But I do know that Economic Development, in the six or seven months that I've been around, have consulted extensively with Indian bands as to the form, shape and longevity of this park and the role that it'll play in the economy of the province.

I guess I'm not quite sure what detail you're getting at. But if you're asking whether the Authority had ongoing discussions or not with the Indian bands, I can't speak for that. But when it comes to the government, in a number of different areas we've had a lot of negotiation and consultation with the Indian bands when it comes to the development of this park.

And I think it's fair to say that the people of Saskatoon and the people of the province should be very proud of and, in fact, go up and see the park, because it really is one of a kind in Canada and I think will go a long way to help economic development in the Saskatoon area.

Mr. Swenson: — Well I can appreciate your remarks as far as Wanuskewin, Mr. Minister. The former government took a great deal of pride in promoting that particular venture.

But you said in an earlier answer to the member from Kindersley that part of the Meewasin Valley Authority funding involved bicycle paths, walking paths, connections to the Wanuskewin project. Obviously, if it was felt important enough to make those connections between Meewasin and Wanuskewin, that it would have been in order, I think, to make sure that the potential that the minister talks about with Wanuskewin would have been built in in any discussions you would have as far as funding goes; that if there are drops in funding on Meewasin that'll affect Wanuskewin, that perhaps Wanuskewin is going to get it made up in another area. Can the minister enlighten us as to those discussions?

Hon. Mr. Lingenfelter: — Well the reason that the bicycle paths and footpaths are being allowed for is that's part of the mandate of the Authority. When it comes to the discussions that Economic Development department is having with Wanuskewin, and Tourism within that department is having with them, that's a whole other debate and I don't know whether we want to get into that or not today.

But fair to say that we've had a lot of involvement with Wanuskewin and we think it's going to be a great asset for the city of Saskatoon and for the province. It's included in many of our brochures and discussions that we have and at the national conference of tourism in Saskatoon it was a major theme of the discussion that went on at that conference.

Mr. Swenson: — Mr. Chairman and the minister, I can appreciate the minister saying that the proper place to do it is in his estimates and that he probably does know a lot about Wanuskewin.

The problem is, sir, that you aren't the minister responsible for the Meewasin Valley Authority and yet are in the House here giving us direction on that and it's most difficult to ask questions about Meewasin . . . well, Minister, you just said you'd be happy to talk about Wanuskewin in your estimates. I'm saying there are ties between Meewasin and Wanuskewin, and it would have been nice to have had the minister here to ask these questions in detail because obviously if any discussion between the Indian bands and Meewasin took place or with the minister, that particular minister would have done it. I don't expect this Minister of Economic Development to be party to those conversations. I can appreciate the spot you're in, sir.

I just think it would have been proper during these estimates when discussing the Meewasin Valley Authority which has an integral part to play with the University of Saskatchewan and the Wanuskewin Heritage Park that you would have been able to tell the House about those discussions.

Hon. Mr. Lingenfelter: — Mr. Chairman, I think the member is totally confused about the mandate of Wanuskewin. What I'm saying is that it is not the mandate of Meewasin to look after Wanuskewin. You're asking in the wrong area and you wouldn't get any different answer from the minister responsible for the park because it isn't within the mandate of the Bill.

The question you're asking, which I've answered for you at any rate, falls under the purview of the department of Economic Development and Tourism. All I'm saying is that if we want . . . I'll answer any of the questions that you ask, and you certainly wouldn't get more answers on Wanuskewin from the minister in charge of Meewasin Valley because that's not the authority of Meewasin. It is much more under the mandate of Economic Development.

So I would make the argument, sir, that you're getting many more answers than you would with the minister because you're asking questions about a function and a jurisdiction that doesn't fall under the Bill. And I guess that was my point to the chairperson earlier.

Mr. Swenson: — Well in all due respect, Mr. Minister, the Wanuskewin Heritage Park and the Meewasin Valley Authority both share the valley of the South Saskatchewan River. And the two of them, through various arrangements in the past, play an integral part in the development of that river valley.

The only question I asked was what consultation the minister responsible for the urban parks — in this case Meewasin — had had with the various native groups that are associated with Wanuskewin. You tell me that they only talked to Economic Development. And I, sir, find that strange that they would not want to talk to the people who are right next door to them who obviously have an integral interest in what they're up to, because you're

hooking the two of them together with bicycle paths and footpaths. And that ultimately the plans for the South Saskatchewan River valley in Saskatoon have a larger picture.

And I would find it strange that only one department of government would be talking to the Indian bands. I would think that they have a vested interest in what the river valley will ultimately be like because it impacts on their ultimate plans. I believe there's talk of ultimately spending up to \$15 million on Wanuskewin over time. That's a very large expenditure of taxpayers' money and I think we would want to do that with some cohesive plan, not the natives talking to Economic Development on one hand and Meewasin talking to the minister from Melfort on the other hand. I think, sir, that there should be some integration of those two plans.

Hon. Mr. Lingenfelter: — I'll try to get the member's head around this one more time, that the lead department on this is Economic Development. Meewasin has a certain role to play in the valley, as you know. This is a very, very positive project, unlike the Dr. Mainprize Park that you were arguing in favour of the other day.

I guess what I have a hard time knowing for you fellows is how you can be negative on a project that everybody else in the province is totally behind. Wanuskewin is popular not only in Saskatoon but right across the province. The management of it, the Meewasin Valley Authority's involvement in it, the provincial government's involvement — everybody's satisfied with it. And you come here today complaining about whether or not this project is going to cost too much money and you're negative on it. Yet when it comes to Dr. Mainprize Park, where everybody agrees that millions of dollars were being wasted, you're there defending and saying it was a great deal.

And I wonder when you're going to come on side with the people of the province in supporting those projects that the public support and give up on some of your pipe-dreams like the dust bowl that you created down in the south-east part of the province. You left us with a dry dam to operate.

Just imagine that. For the first time in the history of the world, we have a definition called a dry dam to operate, which is going to cost thousands of dollars. And you're totally in support of it. You want us to spend millions of dollars on a golf course by this dry dam. But when it comes to Wanuskewin, which is developed by the native people in conjunction with the government, you're negative to it. And I can't understand your attitude.

Come on side with things that are positive, like solving the debt problem, like building the Wanuskewin Park with our Indian friends who have done a great job. How is it that you can be negative and say that this project isn't working right? You're the only person in Saskatchewan who I've heard say that.

Mr. Swenson: — Well, Mr. Chairman, to the minister, I think the minister is the one that's a little confused here. It was the former government that started Wanuskewin in conjunction with the Indian bands in this province, the

former government that made sure that there was provisions to make sure that Wanuskewin, in conjunction with Meewasin and the University of Saskatchewan, proceeded in an orderly manner to be what we ultimately all believe it can be.

The question was simply to the minister, are they doing their homework? Are they doing the proper consultation between the groups involved when they're into budget cuts, to make sure that that project isn't put in jeopardy?

It wasn't members opposite who are criticizing Wanuskewin at all. In fact we're looking after the interests of Wanuskewin because we recognize what a wonderful project it is. We're simply saying to the minister, are you doing your homework to make sure that all the pieces are still fitting, or in your urge to hack and slash your way through Saskatchewan society, you simply aren't doing your homework.

I simply asked the question, was the proper consultation done to make sure that all those pieces are proper? And the minister goes into a tirade about things that aren't even connected to the South Saskatchewan valley. If the minister hasn't done his consultation or the minister that should be answering hasn't done hers, then simply go back and do the consultation. That's all I'm saying, Minister, so that the taxpayer, when they are spending this money, make sure that Wanuskewin gets done. It's you, sir, that are negative.

Hon. Mr. Lingenfelter: — I want to say to the member that the Wanuskewin was doing just fine before the member got up and tried to play politics with it. It's going very well and is planned to be opened. I'm sure the member opposite will want to be there. And everyone is very pleased with the progress that is being made.

My comment is, I can't understand why you want to inject this negativism onto an issue that everyone thinks is going very well and is very positive. I don't understand that. On the other hand, when we cut back by 5 million last week on a program in south-east Saskatchewan that even the golfers down in that area say they don't want, you stand in the House and argue that we should spend and run the deficit up a further 5 million to have a 21-hole golf course. And you're very positive about that.

And this is what confuses the public: you're negative about Wanuskewin, saying that this isn't going to work, and yet for a 21-hole golf course down there where there isn't a tree within miles, because you ripped them all down, you say you want to build a golf course and spend an extra 6 million.

It's this convoluted vision of the future of Saskatchewan that is very, very hard for the people to keep up on. It's this jumping of the gears in the thought process that really has a lot of people confused.

The Chair: — No doubt the exchange that the members are having is a useful one, but I would encourage that the questions which are asked are somehow related to the Bill that's before us and also that the answers are relevant to the matter before us.

Mr. Swenson: — Thank you, Mr. Chairman. As I said in my earlier comments, I think the relationship between Meewasin, Wanuskewin, and the University of Saskatchewan are on the Bill, that they are relevant. And the only point I was making to the minister, which he seems to side-step around, is the fact that this government seems to be very loosey-goosey when it comes to consulting with people before they start to destroy their lives.

The question was very simple and I still haven't heard a straightforward answer from the minister. Now the minister may not know because he isn't the minister responsible. The simple question was: had the proper consultation with the Indian bands involved in Wanuskewin taken place before the cuts occurred to Meewasin? And if the minister can assure me that that consultation took place, that they were in agreement with everything that the government's doing, I'm satisfied, Mr. Chairman.

(1630)

Hon. Mr. Lingenfelter: — Well I want to say again that the cuts don't affect Wanuskewin. And I don't know how many times I can tell the member this.

Mr. Chairman, I want you to listen closely because this is important. The 5 per cent cut — the 5 per cent cut does not affect Wanuskewin. It will be affected by what my Department of Economic Development does or doesn't do.

And so for the fifth time, I want to say very clearly, the project is going along very well. It's planned to be opened on time. It will be a great bonus to tourism in Saskatchewan.

What you're trying to do is to say that somehow the cuts here today will affect Wanuskewin. And you're not accurate in that. You're attempting to deceive the public. The cut . . .

An Hon. Member: — Did you consult?

Hon. Mr. Lingenfelter: — Well we didn't consult because they don't affect. But this is the fifth time.

An Hon. Member: — You said you didn't — you said you didn't consult.

Hon. Mr. Lingenfelter: — We didn't consult with Wanuskewin because the cuts don't affect them. Now the member from Rosthern, who is . . . I don't know where he spent his football years, but he obviously didn't wear a helmet — maybe he can understand that.

The simple fact is that the cuts don't affect Wanuskewin. Do you understand? They affect Meewasin, and the park of Wanuskewin is going to come on stream as planned, when it is planned. Now that's the point.

Now if you want to get on with other questions about the Bill, leave Wanuskewin to the department, who are doing an excellent job in bringing it on. We can talk about the Bill.

But the cuts do not affect the Wanuskewin Park.

Clause 1 agreed to.

Clauses 2 to 7 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 4 — An Act to amend The Wakamow Valley Authority Act

Clause 1

Mr. Boyd: — Thank you, Mr. Chairman. Just a couple of quick questions to the minister. What is the total number of dollars to be allocated to the Wakamow?

Hon. Mr. Lingenfelter: — The member will want to know that the total amount the province will provide here is 126,553. And this basically restates the major cut that was made back in 1982 by the previous government and the member from Thunder Creek will probably have a grasp of this because in 1982 when the new Conservative government was elected, one of the first things they did was to slash the Wakamow Valley Authority by 20 per cent. And this Act will replenish that and put the 20 per cent back in.

Mr. Boyd: — Has the amount that the city is responsible for for the Wakamow, has that changed any, relative to last year?

Hon. Mr. Lingenfelter: — The formula still remains at 40 per cent province of Saskatchewan, and 60 per cent from the urban municipality.

Mr. Swenson: — Thank you, Mr. Chairman. Mr. Minister, on the Wakamow Valley funding, during the department's consultation with Wakamow, the fact that the park is maturing at a far greater pace than what was anticipated means that the ongoing maintenance costs of that particular urban park are different than say Wascana or Meewasin. Has the government given any consideration to changing the formula in recognition of the maintenance that is required under the existing formula?

Hon. Mr. Lingenfelter: — Well I think the comment that I made earlier about the Wascana in Regina, that we intend to review all of the structures as money comes available once we get the books balanced . . . But I think it's fair to say that the injection of the extra money this year will go a long way to solving what the member opposite is trying to talk about achieving, that is putting more money into the system.

In terms of the formula, the 40 per cent from the province, the 40 per cent falls somewhere between the amount of the formula in Regina. It's less than the Regina formula but more than what is put into the Wakamow in Saskatoon. So it falls somewhere in between.

But this is on an ongoing basis under review, and if the member has ideas of things that would make that park work better, we would be very interested in hearing his ideas. I think the key part of this Bill is reinstating the 20

per cent cut that the previous government had made.

Mr. Swenson: — Mr. Minister, I can appreciate the effort the government has put forward to bring Wakamow's funding more in line with other urban parks in Saskatchewan and I can assure you that I personally appreciate it as do people in Moose Jaw and area. But the fact is that this park is maturing way beyond its scheduled implementation plan as designed back in the late 70s, and it has a tremendous volunteer component attached to it.

And the other thing is that Wakamow has been able to access a number of other government programs. And the question I would have to the minister, in your department's consultations with Wakamow on this particular funding level — and I'm sure you did have consultation with them — what is their expectation as far as access to other government agencies like the former New Careers Corporation which is now under a new heading? Did your department give consideration to helping them out in these areas also?

Hon. Mr. Lingenfelter: — The Wakamow is certainly eligible for any of these government programs. You'll be aware that the New Careers has been involved in the park, and my understanding is there could be ongoing discussions and work take place at that level. But there's many other areas that are possible.

I think it's key to know that Moose Jaw is very effectively working and looking at the park and tourism in general as a destination area and also a retirement centre. And our discussions with the current mayor and city council have been very positive, and this includes dealing with the Wakamow in the future. But really I think Moose Jaw is one of the communities — one of a number of communities of about that size — that are really setting in place some very exciting plans for using the Wakamow and other attractions that they might have to make it a destination area for tourism.

So we have, I think, a very positive relationship with the city. And also, I suppose, having two members who are very active in the process in helping to get the funding in place that is needed to make the Wakamow work, has been very helpful to us. And I think that's why under the previous administration they had two MLAs from the former party who allowed a 20 per cent cut. And you really have to work hard as an MLA, and I think our two MLAs are doing that, and it's part of the reason that we have a structure put back in place that replaces the 20 per cent cut that was made in 1982.

Mr. Swenson: — Well I appreciate, Mr. Minister, your commitment to Moose Jaw being part of a "destination tourism" locale in the province. Certainly there are a number of things that would predicate Moose Jaw being in that position. But I really wonder at your rationale then to cancel the plans for the golf course that would have worked in nicely with "destination tourism" in the fact that Moose Jaw people were ready to put their own money on the line in order to achieve that, and certainly with assistance from the provincial government, but that they could fulfil some of these destination dreams that have been in the works for a long time. And Wakamow

Valley Authority was one of the groups within Moose Jaw that was a very strong proponent of a golf course because they said it would strengthen their ability to do the things that they want to do because it would increase the amount of traffic.

And I hope, sir, that you will give Moose Jaw that tourism designation so that they can in effect put their own money up and achieve some of these things.

Hon. Mr. Lingenfelter: — Well first of all I want to say that there was no change made that stopped a golf course from being built in Moose Jaw. I mean people can go and build a golf course whenever they so choose. I think what the former minister is attempting to do here is confuse the issue about their community bond program.

The reason that your government didn't approve the community bond for Moose Jaw, the so-called greens — and it wasn't approved, let's remember that, by your government — and our government didn't approve it, neither the Conservative government approved it or the NDP government because the criteria of the bond Act doesn't allow for golf courses. That was the reason.

Now you can ask why you set up a community bond structure that didn't allow for golf courses, but I think it's not very accurate for you to say, why didn't you allow for a golf course to be built under the community bond program when I didn't set up the Act to allow for it. And you know that. And so why wasn't the golf course allowed under The Community Bonds Act? Because golf courses of that nature were not allowed for.

And now you may want to make amendments to the Act when we bring it before the House, and we would have a look at it, that all golf courses and all skating rinks and all whatever you want to do with community bonds be allowed for. But for you to say that we should have stretched the rules of your Act which didn't allow for golf courses, and allowed that one to go through, I don't think is accurate.

(1645)

Mr. Swenson: — Mr. Minister, I can appreciate the constraints of the Act, having worked with it in some detail for some time. But the very fact of "destination tourism" being one of the components of that Act and Moose Jaw being one of the communities, I think, that eminently qualifies for it, and certainly the Wakamow Valley Authority being a very strong proponent of that further development, either within the confines of their own borders or adjacent to it, I think, sir, would be worth considering.

And I would encourage you to review the Act if you felt there were that many constraints upon it. But I think with the "designation tourism" that Wakamow ... or adjacent to Wakamow, certainly would have qualified and been a benefit to the entire community. And any time a community feels it's worth putting up \$2 million of their own money to endeavour like that, I think they should be listened to.

Hon. Mr. Lingenfelter: — Well, Mr. Chairman, I find it

interesting that every time there's something positive going on around here, the member for Thunder Creek gets up and is very critical and negative. Here we have a 20 per cent increase for one of the parks, that he cut by 20 per cent, and he's negative about it. He doesn't like it.

At least some of the other members were up asking questions about some of the contractions that were taking place. And I can understand their concerns. This member, he wants to fight over Wanuskewin, one of the most positive parks in Canada. And he wants to put a negative cloud over it. Wakamow, getting a 20 per cent increase to restore the cuts that his government made — maybe when he was minister he couldn't get increases for it — but he wants to put a negative spin on it.

And, Mr. Chairman, to outline that the people in the area are not disappointed or upset and to show how out of touch he is, I have a letter here from the chairman of the board of directors at Wakamow Valley — and it's dated May 21, that's a few days ago — to the minister, and I want to read it into the record because it doesn't go along at all with the negative implications that the member for Thunder Creek is trying to give here. And the letter says:

Thank you (very much) for your letter of May 13, 1992 in which you advised The Wakamow Valley Authority Act will be amended to restore the statutory funding formula to that (that) existed prior to 1983.

And I might remind you that 1983 was the year that the Conservatives came to government and made the big cut. So they say thank you for restoring that.

To say the least, Wakamow's Board and volunteers were very pleased to hear of this amendment, and have asked me to again thank you for allowing us to make our presentation to you.

Consultation and all of that that went ahead of the decision being made. So we want to say first of all we're restoring it to the position before you cut it, and we had consultation.

Further, my fellow Board members and I are looking forward to our participating parties meeting to discuss their respective obligations and responsibilities towards Wakamow, particularly as they relate to maintenance of our river valley parks. We believe this is crucial to Wakamow's long term financial stability and must be resolved in the immediate future.

Again, thank you for letter. If I can be of assistance in your deliberations with Wakamow's other participating parties, please do not hesitate to (comment) ... Sincerely, Arnold Giddings, Chairman, Wakamow Valley Authority, Board of Directors.

So I don't know what you're getting at because everyone's happy about this project. And why you'd want to put a dark cloud over a happy day for the community, 20 per cent increase in their funding, it's beyond me.

Mr. Swenson: — Well once again, Mr. Chairman, the minister doesn't listen clearly. And I think if he checks the verbatim he will notice that I complimented the government on restoring the funding level by 20 per cent. That I asked a few questions given the rapid maturity of the park, the same as Mr. Giddings does in his letter, about how Wakamow will have needs because they have moved so fast with community support that they've outstripped their ability to maintain the park. And I was only asking a few more questions in relation to the "destination tourism" designation that obviously is very important to Wakamow and some of the things that they wish to achieve.

And it's no secret to anyone in the community that the board of directors of Wakamow was very strongly in favour of "destination tourism," i.e., golf courses and other things that would enhance their valley.

The minister said that perhaps he would bring in amendments to the Act that would satisfy his requirements vis-a-vis the community putting up money for one of those things. I compliment him on that. I'd be happy to work with him when he brings those amendments in.

So, sir, there was no negativism at all from this side. We're simply asking questions pertinent to Wakamow and giving you compliments, and even then the minister won't take them when they're given. So it's very difficult for the opposition to meet all the requirements, sir, that you seem to want of us.

Clause 1 agreed to.

Clauses 2 to 5 inclusive agreed to.

The committee agreed to report the Bill.

Hon. Mr. Lingenfelter: — I'd just like to thank the authorities who came and helped me through the four bills that we passed and also to thank the opposition and also let them know that we'll get you those lists. I think there was three or four items. We've made copious notes and we'll get those to you as soon as we can, hopefully tomorrow.

Mr. Boyd: — Thank you, Mr. Chairman. We'd also like to extend our thanks to the officials for coming this afternoon and to the minister for dealing with our questions.

Bill No. 9 — An Act to amend The Mineral Taxation Act, 1983

The Chair: — Order. Would the minister introduce his officials.

Hon. Mr. Penner: — Thank you, Mr. Chairman. The officials with me this afternoon are, to my left is Bruce Wilson, the executive director of petroleum and natural gas division; and to my right here is Hal Sanders, manager of the revenue operations.

Clause 1

Mr. D'Autremont: — Thank you, Mr. Chairman. To the minister, in the explanatory notes for Bill 9, it says in there for each nominal section the tax will be charged. What do you mean by each nominal section?

Hon. Mr. Penner: — Mr. Chairman, each nominal section means 640 acres of land.

Mr. D'Autremont: — Mr. Minister, how much additional funds will this tax change mean?

Hon. Mr. Penner: — The additional funds that we expect to receive from this tax is \$2.1 million.

Mr. D'Autremont: — How much tax was collected last year through the previous system?

Hon. Mr. Penner: — The previous system gave about 5.7 million.

Mr. D'Autremont: — So this year you're expecting to generate about 7.8?

Hon. Mr. Penner: — That is right, Mr. Chairman.

Mr. D'Autremont: — Okay. How many property owners would be affected by this, be they corporations or individuals?

Hon. Mr. Penner: — There are somewhere in the neighbourhood of 600 organizations that would be affected by this.

Mr. D'Autremont: — Mr. Minister, you say organizations. Will this just be organizations or will individuals also be affected?

Hon. Mr. Penner: — If an individual has more than five sections of land where he holds the freehold mineral rights, the individual could be affected. But by and large, these are corporations and companies that would be affected. Only those individuals or companies that own five sections or more of freehold mineral rights are affected by this Act.

Mr. D'Autremont: — Are all individuals then who hold more than five sections affected? You said, could be.

Hon. Mr. Penner: — If I said could be, that was a mistake. They would be. Five sections or more are affected. And I've just been told that there are probably seven individuals that are affected and the others are corporations. There's a total, I think I mentioned earlier, about 600.

Mr. D'Autremont: — Have you done any impact studies, Mr. Minister, on what effect this will have?

Hon. Mr. Penner: — Mr. Chairman, we have done some impact studies, and our assumption is that some of the land that is currently being held in freehold mineral rights may be turned in to the Crown. As the numbers may indicate — I don't know if you did a calculation on the numbers or not — but \$5.7 million, originally it would have been 5.7 million acres under the old system, and the

2.1 is not half of 5.7. So we expect that some land may be turned in to the Crown, and our anticipation is that about a half a million acres may be turned back to the Crown that are currently freehold mineral rights.

Mr. D'Autremont: — Mr. Minister, would you be prepared to table those studies that you have done?

Hon. Mr. Penner: — Mr. Chairman, I don't think that we have any studies that we can table on paper. This is from the experience that we've had in the past, is the number of acres that are turned in when there are increases in the taxation end of it. This is the experience we've had in the past and it's not a scientific study. We anticipate that this may happen. On the other hand it may not happen. So it's simply a matter of speculation.

Mr. D'Autremont: — Mr. Minister, I thought you said you had done some studies. Perhaps you consulted with someone in the industry. If so, could you let us know who they are?

Hon. Mr. Penner: — We did not consult with people in the industry as to what effect it may have of turning in the land. Our department people have a history of this kind of taxation, and the estimates that I'm giving you here today are the department's estimates of what may happen.

Mr. Swenson: — Thank you, Mr. Chairman. Mr. Minister, in the opinion of your officials, what is the threshold level, the break-even level say on marginal production land that we would have in the Kindersley fields as to what is commercially viable and what isn't these days, given the price of oil.

Hon. Mr. Penner: — Mr. Chairman, I'm not sure just how the question is related to this particular Act, but in answer to your question, in the Kindersley area, the threshold . . . There are people operating wells in the Kindersley area that produce between one and two barrels a day.

Now I think it's fair to say that these are probably not very economically viable. But they are operating some of these wells between one and two barrels a day. Certainly anything above that would be considered economically viable with some of the methods they are using in the Kindersley area to extract the oil out of the ground.

Mr. Swenson: — Mr. Chairman, to the minister. It has a great deal to do with the Bill before us, because any time that someone incurs more costs associated with production, their ability to produce is lowered.

And I ask the question because I know a great number of the wells in the Kindersley area are into swabbing; they're into new styles of pumps; lots of things that can give them a little of an edge to keep those wells in production.

You have increased their fees by 50 per cent in the lands affected by this particular Bill. If that 50 per cent increase means that those swabbing operations discontinue, it means that those wells become shut in, discontinued, walked away from, employment opportunities in the community become less. And a 50 per cent increase is fairly dramatic on the lands that we're talking about, and that's why I asked you about the threshold level of

production and what the analysis that you had done.

And I might say the same, Mr. Minister, occurs in northern Saskatchewan where people go out on the weekend. They prospect; they look for the ability to find minerals that they in turn can sell to a larger company. You've increased their fees by 50 per cent. That may predicate that a lot of acres get turned back to the Crown and exploration doesn't happen.

So I'm asking you, Mr. Minister, in relationship to the analysis that your department has done, will you have lands turned back to the Crown that formerly were producing and paying taxation and royalties to the province?

The Chair: — Order. It now being 5 o'clock, we stand recessed until 7 o'clock.

The Assembly recessed until 7 p.m.