

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

The Speaker: — Before I recognize any member, earlier today at Government House we paid tribute to 13 Saskatchewan recipients of national and provincial honours. These 13 recipients and their guests are seated in the Speaker's gallery today. We want to recognize them in the legislative Chamber today.

I want to call first upon the Premier and then the Leader of the Opposition to make a few brief remarks, and then MLAs (Member of the Legislative Assembly) will be given an opportunity to introduce their honoured constituent.

Hon. Mr. Romanow: — Thank you very much, Mr. Speaker. Members of the Assembly, it gives me a great deal of pleasure to join with you to acknowledge the contributions made by the recipients who are seated in your gallery, Speaker's gallery to my right. These are recipients of the Order of Canada, the Order of Military Merit, the Saskatchewan Order of Merit, and the Medal of Bravery.

Now earlier today, myself and other members of the Assembly had the opportunity to congratulate the recipients, but I do want to take the occasion to repeat and to reiterate our congratulations right here in the Assembly for the official record, as it were.

Such honours are given to those who exemplify the highest ideals of our society — achievement, courage, the pursuit of excellence, service to others, devotion to the common good.

The individuals we recognize today, Mr. Speaker, and members, have committed their time, some might even say devoted their time, but certainly committed their time and energy to a wide variety of activities — medicine, the arts, government, science. They've served the interests of the farming community, national defence, recreational planning, and business. And two of today's recipients have, at great personal risk, reached out to save lives.

Mr. Speaker, they are truly exceptional citizens, dedicated to the people of this province and to this country Canada. And they are, I'm sure, an inspiration for all of us. On behalf of the government of the province of Saskatchewan, I want to congratulate each and every one of them, their friends, supporters, and spouses, and thank them for their outstanding contribution to Saskatchewan and to Canada. Thank you, Mr. Speaker.

Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. I too would like to join on behalf of Her Majesty's Loyal

Opposition with the Premier in extending that very warm welcome to our honoured and most distinguished guests to the legislature today.

As the Premier said, we have individuals visiting with us today who have strived and endeavoured and achieved in so many different areas in our society. And I would say to all of the young people in the gallery who are here visiting with us today that this group of distinguished men and women could provide you with an excellent opportunity to emulate careers or emulate service to the community, indeed to learn how to serve your fellow man.

And I just say once again, congratulations to this distinguished group who are here to visit and view with us today. And on behalf of the opposition, just keep up your good work in society, ladies and gentlemen.

Hon. Members: Hear, hear!

Mr. Cline: — Thank you, Mr. Speaker. It is my pleasure to introduce to the Assembly the Hon. Allan Blakeney, Officer of the Order of Canada.

Hon. Members: Hear, hear!

Hon. Ms. Atkinson: — Thank you very much, Mr. Speaker. It is my pleasure to introduce to the Assembly, Dr. Stuart Houston, Officer of the Order of Canada, and Member of the Saskatchewan Order of Merit.

Hon. Members: Hear, hear!

Ms. Haverstock: — Thank you, Mr. Speaker. It is indeed my privilege to introduce Dr. Dmytro Cipywnyk, Member of the Order of Canada.

Hon. Members: Hear, hear!

Mr. Roy: — Mr. Speaker, I'd like to introduce to you and through you to the members of the Assembly, Mr. Harvey Gjesdal, Member of the Order of Canada.

Hon. Members: Hear, hear!

Ms. Hamilton: — Mr. Speaker, it's indeed a privilege to introduce to you and through you to the members of the Assembly, Mr. Joseph Moran, Member of the Order of Canada.

Hon. Members: Hear, hear!

Ms. Lorje: — Thank you, Mr. Speaker. It is my privilege to introduce to the Assembly Dr. Don Rennie, Member of the Order of Canada.

Hon. Members: Hear, hear!

Hon. Mr. Mitchell: — Mr. Speaker, it is my pleasure to introduce to you and to members of the legislature, Chief Warrant Officer Alan Stever, Member of the Order of Military Merit.

Hon. Members: Hear, hear!

Ms. Crofford: — Mr. Speaker, it's my pleasure to introduce to you Mr. George Bothwell, Member of the Saskatchewan Order of Merit.

Hon. Members: Hear, hear!

Mr. Scott: — Mr. Speaker, it is my pleasure to introduce to the Assembly Chief Samuel Bunnie, Member of the Saskatchewan Order of Merit.

Hon. Members: Hear, hear!

Mr. Kowalsky: — Mr. Speaker, it's my pleasure to introduce to the Assembly Mr. John Hicks, Member of the Saskatchewan Order of Merit.

Hon. Members: Hear, hear!

Mr. Devine: — Thank you, Mr. Speaker. It's my pleasure to introduce to you and to the Assembly Ida M. Petterson, Member of the Saskatchewan Order of Merit.

Hon. Members: Hear, hear!

Hon. Mrs. Teichrob: — Mr. Speaker, it is my pleasure to introduce to the Assembly Mr. Ricardo Campbell, recipient of the Medal of Bravery.

Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, it's my pleasure and honour to introduce to you Mr. Ron Hildebrandt, recipient of the Medal of Bravery.

Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. To you and through you to the Assembly I would like to introduce two classes today. The Redvers Elementary School class in the east gallery, Mr. Speaker, grade 6's, along with their teachers Diane Dubé, Heather Kirby, and their bus driver Annette LeNouail. I'll be meeting with them after question period, Mr. Speaker.

And I would also like to introduce from the Carnduff Elementary School the grade 8's, along with their teacher Art Keating, Brian Nicholls, and Cindy Wright. And I'll be meeting with them also after the question period for pictures and for refreshments and questions. I'd like to ask the Assembly to welcome them here today.

Hon. Members: Hear, hear!

ORAL QUESTIONS

SaskTel Advertising Campaign

Mr. D'Autremont: — Thank you, Mr. Speaker. My question today is to the minister responsible for SaskTel. Mr. Minister, can you confirm that your government has commissioned the Phoenix Group,

the NDP (New Democratic Party) advertising agency, to produce a new promotional campaign for SaskTel? And can you confirm that the theme of this massive advertising campaign is "Don't Worry, Be Happy"?

Some Hon. Members: Hear, hear!

Hon. Mrs. Teichrob: — Mr. Speaker, to the best of my knowledge, there has been a competition. And there are more than one company — I believe three companies involved in the advertising that's being procured.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Mr. Speaker, it seems the government is taking their own ad campaigns to heart and they're not worrying about SaskTel. Doesn't seem to have a minister.

Would you confirm, Madam Minister, that the theme of the campaign is indeed, "Don't Worry, Be Happy"?

Hon. Mrs. Teichrob: — Mr. Speaker, on behalf of the minister responsible for SaskTel, I'll take notice of the question.

Mr. D'Autremont: — Mr. Speaker, Madam Minister, while you're taking notice of this question, will you also take notice of the question of on what basis was this contract awarded to Phoenix Group and for how much money was that contract.

Some Hon. Members: Hear, hear!

Hon. Mrs. Teichrob: — Mr. Speaker, we'll be pleased to take notice.

Mr. D'Autremont: — Mr. Speaker, Madam Minister, will you also take notice of the following question concerning the same item: that we received information from the advertising industry that this production, filming, and post-production for these SaskTel ads were given to a British Columbia company, Cactus Productions, without any tendering call in Saskatchewan. Will you confirm that, as you take notice, that your government has bypassed the Buy Saskatchewan policy when you told them to do this "Don't Worry, Be Happy" campaign?

Hon. Mrs. Teichrob: — Mr. Speaker, I cannot confirm the question that the member asks, and I'll take notice.

Mr. D'Autremont: — Thank you, Mr. Speaker. Will you also, in this consideration, include: is it not true that the tender calls in Saskatchewan were made after the work had already been awarded to the firm? Can you confirm when those tender calls were made? Was it after the Saskatchewan firms complained about it, Madam Minister? And is it also not true that these people were worried, and that they were not happy about it?

Hon. Mrs. Teichrob: — Mr. Speaker, I cannot confirm this situation that the member describes. I will take notice if there are details that we can provide;

however I do wish to point . . .

The Speaker: — Order, the member has taken notice.

Economic Summit

Mr. Swenson: — Thank you, Mr. Speaker. Mr. Speaker, my question today will be to the Premier. Mr. Premier, we have seen some exaggerated performances in this legislature on your behalf this session, but I think the performance yesterday really topped it off. You stood here in this legislature, Mr. Premier, and you lectured the Saskatchewan business community about job creation. It's obviously a topic that you know very little or nothing about, Mr. Premier.

I mean what can we expect next out of you? You're going to lecture Saskatchewan farmers on what to plant this spring?

Mr. Premier, the Canadian Federation of Independent Business, the implement manufacturers' association, the chamber of commerce, the construction association, and the home builders' association all got together and they said, Mr. Premier, your government's job creation strategies are failing. And you should listen instead of giving us lectures.

Now, Mr. Premier, will you hold an economic summit meeting that these associations have asked for, and will you do it before this Legislative Assembly adjourns for the summer so that people in Saskatchewan can hold you accountable, Mr. Premier, for what you say. Would you do that, sir?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, I want to inform the hon. member opposite that in the letter that we received, the organization asks, and I quote specifically: we ask you to call upon the Provincial Action Committee on the Economy to advise and coordinate about the summit.

That is exactly what we are doing. The PACE (Provincial Action Committee on the Economy) will review and will make a recommendation. But I can tell you clearly that to put together a summit in a matter of a few days shows the ability of the members opposite to govern. That is, in fact, how open for business, the conference we remember from the 1982 era of your government, which invited in the multinationals from around the world to take billions of dollars out of the province, is exactly what we're not going to do. And I can make that very clear.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. My question is to the Premier. Mr. Premier, you have stood in this legislature and told us how you like to go out and have meetings with people. The problem is, Mr. Premier, they're like the meetings that your Health minister went to. You go to meetings but you don't listen.

And what your minister has just said is that he can't do it in a couple of days time. No one expects him to. But the business community in this province would like to have your commitment, Mr. Premier, that in a few weeks time, that you would be prepared to go and listen for a change, when they tell you things like imposing a \$200 million payroll tax through Workman's Comp is unreasonable. When they tell you things like that, Mr. Premier, they expect you to go and listen.

Now why don't you stand in this legislature today, Mr. Premier, and apologize to the business community for the remarks you made yesterday and say yes, I will instruct my minister and my cabinet to be prepared to meet with you before this session ends. Would you do that, Mr. Premier?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, I want to indicate to the hon. member that what we are doing is not responding to the hard-line rhetoric of the members of the Conservative caucus, which is to throw up their hands in despair and preach gloom and doom. But what we are doing is picking up the request of the organization that asked about a meeting of business people. And in their letter they say that they would like this issue referred to the Provincial Action Committee on the Economy, and that is in fact exactly what we intend to do.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. My question once again is to the Premier. Obviously, Mr. Premier, you don't think that you owe them an apology. You said yesterday that their letter has done more to harm the confidence and optimism in the province of Saskatchewan than anything done in the last 18 months, and I quote: this letter does not face up to reality.

Now, Mr. Premier, I would say that you and your government are the ones destroying the confidence in this province. You are not facing reality. It's your government which is 16,000 jobs underneath of your budget targets. Now, Mr. Premier, that is reality.

So it's time to start listening. It's time to start listening, start creating some of the jobs, Mr. Premier, that you have promised Saskatchewan people since before the 1991 election.

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, what I want to indicate to the hon. member opposite, that the comments made by the organization referred to here, of a growing sense of despair, anguish, and revolt by business people in the community of Saskatchewan, is absolutely inaccurate, absolutely inaccurate.

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — It is. We have met with literally thousands of business people around the province. I have not heard one business person talk about revolt. I haven't heard that from one business person. And for an organization that calls itself responsible to talk about business people having despair, anguish and revolt, is an exaggeration that doesn't do the organization credit. And we're getting many comments from many business people today that say this organization, when they talk about revolt, is not speaking on behalf of the business community in Saskatchewan. That's the point that we're making.

When it comes to jobs and job statistics, I want to be clear that if you want to look, for example, at the Liberal record — the provincial record — of job creation in this country, you will find that the record is as follows.

In New Brunswick the record is 14.6 per cent unemployment — Liberal. Quebec, 14.8; Prince Edward Island, 22 per cent; Newfoundland, 23 per cent. Anyone one who believes that electing a Liberal government is going to solve the unemployment problems of this province absolutely doesn't understand what is happening in provinces where they have already gone that route.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. Mr. Speaker, the Premier and his ministers, the Premier and his ministers, Mr. Speaker, say that the business community is not facing reality, and I would say to you, Mr. Premier, they're the people that have to face it every day. They're the people that have to actually lay off the workers; close down their operations; move to other provinces because of your destructive tax regimes in this province, Mr. Premier, a dismal business climate that you and your government have created.

Mr. Premier, it wasn't the business community that didn't tell the truth about taxes, about hospital closures, about helping farmers. The business community weren't the people that didn't tell the truth, Mr. Premier.

Now, Mr. Premier, it's time you started to face reality. What they are simply asking for is a meeting with yourself and your key ministers, Mr. Premier, to work with you to solve the problems. Will you commit to it today, Mr. Premier?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, I want to try to lower the level of rhetoric that the members opposite continually throw out about the despair and gloom and doom. And it's almost as if they wish for that for the citizens of Saskatchewan. Because when we meet with many legitimate organizations, for example, when we meet with the business people from Schulte or from Flexi-Coil in Saskatoon or Brandt Industries here in Regina, they tell us clearly they have never had a better year than they had in '92, and it's even better

in 1993.

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Now that's not to say that things couldn't be better. The unemployment rate in Regina, which is the third lowest in Canada only behind Ottawa and Vancouver, could be the lowest in Canada, that's true, and we're working towards that. But to preach gloom and doom about the job situation in our major cities is absolute nonsense. And I wish members would become more realistic, and maybe in becoming more realistic that rump of the Conservative Party would gain some credibility in the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. Mr. Speaker, we hear the Premier and his ministers talk about turning the corner all the time. Well I can tell you, Mr. Speaker, in my constituency they're coming down the No. 1 Highway and they're turning right. They're turning the corner and they're going to Alberta and B.C. (British Columbia). That's the corner they're turning, Mr. Premier. That's why you're 16,000 jobs underneath what your Finance minister forecast just a short month and a half ago.

Now, Mr. Premier, don't stand up in this legislature and say: don't worry, be happy, any more. The folks aren't happy. It's pessimism, frustration, and angry. And it's growing, Mr. Premier.

Would you do what the people who employ the folks and pay the taxes in this province are requesting of you, sir, and that is in the next few weeks would you be prepared to sit down and meet with the business community in an economic summit and live up to some of the promises you made to them last year?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Well, Mr. Speaker, what we are hearing from members of the business community as well as the population at large and many people who watch the economic changes that are occurring in Saskatchewan, is very, very positive remarks.

I want to indicate to the members opposite that Nesbitt Thomson, for example, in talking about Saskatchewan and our budget moves, and I want to quote:

Our confidence that these targets will be met is based on the Government's strong political will and the apparent constituent support for the measures to be implemented . . . we believe that Saskatchewan may well be the first Canadian province to be upgraded in the present economic cycle as provincial governments begin to come to terms with managing their finances in a post-inflationary era.

. . . The Province's operating budget is now

among the most positive in the country.

Now when people in the know are saying this about the economic situation in Saskatchewan, for members of the Conservative and third party to continually get up and preach gloom and doom, can only be done for one reason and that's cheap politics. And I say the public will reject that.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. My question is to the Premier. Mr. Premier, the people in the know are the people on Main Street, Saskatchewan. They're the people, sir, that are paying the higher property taxes, are paying the higher sales taxes, are paying the higher utility fees, the telephone, the power, the gas, and we're facing increased mill rates because of your offloading. They're the people in the know, not the people in Toronto or New York who you go to and tell a different story than you tell here at home. They're the people in the know, Mr. Premier.

Some Hon. Members: Hear, hear!

Mr. Swenson: — What they're saying to you, sir, is simple. They said your document, *Partnership for Renewal*, we would like to sit down and review the goals and objectives of this document and see if they're being fulfilled; your own document, Mr. Premier. They don't want to design a new one — your document. They're saying, let's take the *Partnership for Renewal*, sit down together and talk about it and see if it's meeting its goals.

Mr. Premier, stand in your place and tell them that you're willing to talk about your own document.

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, I want to indicate to the member opposite that reviewing the *Partnership for Renewal* plan is a very important and integral part of the document. We've indicated in a list of 31 strategies that we have set dates and deadlines too at the request of the business community, that the business community is very satisfied with the first review that we have done. And, Mr. Speaker, after question period today I will table the second review that has been done in consultation with business people so that members of the opposition might have a chance to update themselves on where we are at in terms of the economy in Saskatchewan.

Mr. Speaker, I have here a magazine, *Worldbusiness*, another organization, another magazine that has made comment on the economy of Saskatchewan and the economic blueprint. And I want to quote from that:

Industrial/Economic Development Organization

And they're giving out awards to various provinces and organizations for economic development. And I quote:

Our 1992 Award in this category goes to the Government of Saskatchewan under Premier Roy Romanow and Economic Development Minister . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — So I want to say to you that . . .

The Speaker: — Next question.

Mr. Swenson: — Thank you, Mr. Speaker. Mr. Speaker, if the Premier and his ministers would only listen. Mr. Speaker, the economic review on the document is already in, and I'll quote from it — the manufacturing sector, where there are 4,000 less jobs than a year ago; the construction sector, where there are 2,000 less jobs than a year ago; the trades sector, which is 4,000 jobs down from a year ago, and the agricultural sector, which the Premier tells the folks in New York is going to drive our revival, has a net income per farmer of \$5,000.

The document, Mr. Premier, that your minister talks about has just been reviewed by Saskatchewan business people and they say it is a dismal, miserable failure. They're asking you to sit down and re-evaluate the goals.

In light of this information, Mr. Premier, stand in your place and give the commitment to the business community that you're willing to work and reverse these figures. Do that, sir. Do that.

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Well, Mr. Speaker, I want to indicate to the hon. member that the work that has been done by this government in meeting with business people will continue.

We've met with hundreds of organizations around the province dealing with business. We have spoken recently at the chamber of commerce in Tisdale. We'll be speaking tonight at the chamber of commerce in Lloydminster. And a big part of the job is in fact meeting with business people to work out an economy that is based on realistic facts and figures, which certainly isn't coming out today from members of the opposition.

But true, the unemployment rate in Saskatchewan is not as low as we would like it to be. But it is the lowest in Canada. And so we are working hard and we are working diligently with working people and business community to lower the unemployment rate.

But for members opposite who have representation in other provinces to say that they would do a better job flies in the face of true statistics which I could stand here all day and quote about the unemployment rate in other provinces where we have Conservative and Liberal governments.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. My question to the Premier: Mr. Premier, the first step to solving a problem is to admit that you have one. Mr. Premier, you obviously are going to have to put a . . . Mr. Premier, you're going to have to put a leash on that minister. Because your government is like an alcoholic; it is so drunk with political power that you don't realize that you've got a problem, Mr. Premier.

Mr. Premier, there are 16,000 jobs less than what your Minister of Finance is projecting. The Saskatchewan business coalition is saying, recognize your problem. Sit down and we will cooperatively work with you to achieve the goals that you set out in your own document.

Mr. Premier, once again. All they want to do is review your document, sir. Will you sit down with them while this House is in session and review that document so that Saskatchewan people can have the jobs and the promises that you made to them such a short time ago. Would you do that, sir?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — Mr. Speaker, the Leader of the Opposition admonishes me to face the reality and admit to problems. I think we've done that in economic matters. But if that admonition is applicable to me, I want to tell the Leader of the Opposition it is doubly applicable to him and the Conservative official opposition and the Liberal Party.

In your case, Mr. Leader of the Opposition, you have to admit the huge problem that you left behind for the people of the province of Saskatchewan, a province virtually on the edge of bankruptcy. And we, after 18 months, have turned the corner. And there are statements after statements by business people, not represented by these five or six people who got together to issue a statement without warning to the government, without any kind of foreconsultation whatsoever . . . that's right. Because they say to us, they don't want any surprises from us, and we met with them. But that rule does not apply to them. They issued the statement that they did.

I say to the former premier and I say to the Leader of the Opposition, we admit that we got to do a lot more economic development. I'm telling you that we've turned the corner, but you've got to admit that you have put this province in such a big sink-hole that we're going to take all the efforts required to get this province moving again. And it is beginning to move, and the business people know it, notwithstanding the statements considered by a coalition.

Some Hon. Members: Hear, hear!

Mr. Swenson: — The problem is very evident, Mr. Speaker, in questions to the Premier that he still hasn't learned, that he's still drunk with that political power that he achieved 18 months ago.

Mr. Premier, what they're saying to you is that you have broken all of your promises that you made before the last election. And given that, we're willing even yet to stand and sit down and work with you to achieve some reasonable goals in this province even though you broke all your promises, sir.

Instead you stand in this House and you lecture them. You say that they don't keep their word, Mr. Premier. You're the one that campaigned to have the job. You're the one that's supposed to have the vision and the leadership. The business community are saying to you: Main Street, Saskatchewan is hurting, Mr. Premier; sit down with us before that legislative session is out and deal with the problems, not blame somebody else.

Mr. Premier, once more, give them that commitment, and give it to it today.

Hon. Mr. Romanow: — Mr. Speaker, note what the Leader of the Opposition has said in perverting the words of the letter. The letter doesn't say that we broke our promises; that's what you say. You try to politicize the situation for narrow, partisan political purposes. You take a look at the letter, and it does not say that. You say that. Why do you say that? Why do you misrepresent the position?

There can only be one conclusion as to why you do that. You do that for partisan political reasons.

You don't care about the Saskatchewan situation. You don't care about the Saskatchewan people. Mind you, we've known that because if you'd cared for them, you wouldn't have bankrupted this province after nine years of being in power. You wouldn't have bankrupted them.

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: — You bankrupted them; you bankrupted them; you bankrupted them, and they didn't say that. We're prepared to work with every business group going, and we have worked with every business group going.

But I want to tell you, Mr. Leader of the Opposition, that what was said in that letter does not portray what the ordinary business person in this province feels. They know that we've got the fiscal picture under control, that we've turned the corner, no thanks to you.

We're rebuilding Saskatchewan; that's what we're doing.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Thank you very much, Mr. Speaker. I want to congratulate the Leader of the Opposition for flushing out the Premier finally so that he is going to be responsible.

Some Hon. Members: Hear, hear!

Print Procurement Process

Mr. Neudorf: — Mr. Speaker, I sat here in abhorrence listening the Minister of Economic Diversification declare war on small business in this province. But, Mr. Speaker, I was even more shocked and abhorred to find the Premier goes, stands up and reiterates the position and says that we're being misquoted and that the people in the business in this province don't know what they're talking about. They are cited as saying, despair, anguish, and revolt is what they are concerned about.

Mr. Speaker, Mr. Speaker, my question is . . . and I further preface this by saying I believe that they feel that they can declare war on small business because they have a political, manipulative mind where they think that they'll be able to worm their way out of this.

My question, Mr. Speaker, is to the Minister for SPMC (Saskatchewan Property Management Corporation) because, Mr. Minister, we have received information that indicates that your government has transferred print procurement process away from your Crown-owned corporation of SPMC and given responsibility by awarding print tenders to the minister responsible for NDP political strategy, as we know, the Provincial Secretary.

Here's my question, Mr. Minister. We have seen how you managed to obstruct and avoid open tendering in the past. Perhaps you could explain now to this Assembly that I have brought up repeated examples of that in this last session, Mr. Speaker. Perhaps you could explain to this Assembly how giving the print tendering process to the most politically-motivated arm in your government allows for open and non-partisan tendering. Can you explain that, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, if there was any ever good reason or example of why that political party is in third place in the polls of Saskatchewan, the member from Rosthern just exemplified it in his question.

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — How he can stand up in this House and with a straight face talk about open tendering is beyond me and the public of Saskatchewan.

The reason the transfer has been made, Mr. Speaker, is to enhance the whole concept of open tendering and competitiveness in the bidding. And even the graphic arts industry, which represents the people who do the printing and who are doing more work across the piece for the Government of Saskatchewan than they ever did under that administration because of the favouritism they showed, has supported that move because of the coordination that is there; because it's necessary in order to make the system work openly and fairly as it is working now, which it did not do

between 1982 and 1991.

Some Hon. Members: Hear, hear!

ORDERS OF THE DAY**GOVERNMENT ORDERS****SECOND READINGS****Bill No. 63 — An Act to amend The Fuel Tax Act, 1987**

Hon. Ms. MacKinnon: — Thank you, Mr. Speaker. I rise today to move second reading of Bill No. 63, An Act to amend The Fuel Tax Act, 1987.

Mr. Speaker, this Bill increases the tax on gasoline, ethanol-blended gasoline, and diesel fuel from 13 cents to 15 cents per litre as announced in the March 18 budget address. Also the tax on propane is increased from 7 to 9 cents per litre. These changes, Mr. Speaker, are effective March 19, 1993, and are expected to yield additional revenues of \$43.4 million in 1993-94.

The tax on locomotive diesel fuel and aviation fuel, Mr. Speaker, will remain unchanged at 15 cents and 7 cents per litre, respectively. As a result, diesel fuel used by the trucking industry and by the railways is subject to tax at the same rate of 15 cents per litre.

Mr. Speaker, we recognize that an increase in the fuel tax rates will place border fuel dealers at a competitive disadvantage with fuel dealers in Alberta and Manitoba. Therefore, I'm pleased to say that effective April 1, 1993, the gasoline competition assistance program, which provides assistance to fuel dealers in Lloydminster and Onion Lake, was extended to include fuel dealers located up to 56 kilometres from the nearest fuel dealer in Alberta. Also fuel dealers in Flin Flon and Creighton are now eligible for assistance under the program.

Mr. Speaker, this Bill also contains a housekeeping amendment that clarifies the tax-free marked diesel fuel may be used by farmers in their farm-plated vehicles and in their unlicensed farm machinery when those vehicles are used in their farming operations. If their vehicles are used for other business activities such as commercial trucking, then they must use taxable, clear diesel fuel.

Mr. Speaker, farmers will continue to be eligible to use tax-free marked diesel fuel in their farming operations and obtain an annual rebate of the tax paid on their farm gasoline. It is estimated that farmers will receive over \$109 million in gasoline and diesel fuel tax benefits for 1993-94.

Mr. Speaker, I move second reading of An Act to amend The Fuel Tax Act, 1987.

Some Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I

realize that most people across Saskatchewan do not favour tax increases. What we see in this piece of legislation is a request for further increases in fuel tax across this province, something that motorists are finding that with the amount of miles we have to drive that it is becoming an unbearable burden.

Now there are a number of areas that I believe need to be addressed further. And to allow further discussion to take place and observation to take place regarding some of the questions, I would move to adjourn debate.

Debate adjourned.

Bill No. 64 — An Act to amend The Education and Health Tax Act

Hon. Ms. MacKinnon: — Mr. Speaker, I will momentarily be moving second reading of Bill No. 64, An Act to amend The Education and Health Tax Act.

But first I would like to say a few words about the amendments being enacted by this Bill. Bill No. 64 amends The Education and Health Tax Act to increase the provincial sales tax rate from 8 per cent to 9 per cent. It also reinstates yard goods and adult clothing and footwear into the education and health tax base.

Raising taxes is the least pleasant part of being a Finance minister. But as I detailed in the budget address, these difficult measures are absolutely necessary if we are to balance our budget in four years.

Mr. Speaker, education and health tax is our second largest source of revenue after personal income taxes. For the 1993-94 fiscal year we expect to receive about \$643.7 million in education and health tax revenue.

Although this seems like a substantial sum, it is nearly \$204 million less than the \$847.5 million that will be required to service the public debt in 1993-94; \$643.7 million is approximately 43 per cent of the amount forecasted to be spent on health care in 1993-94 and it is significantly less than the \$871 million expected to be spent on education during this fiscal year.

(1445)

As you can see, Mr. Speaker, it is imperative that we take steps to narrow the gap between our revenues and our expenses if we are to balance the budget. We have implemented measures to cut our costs, but we must also increase our revenue if we are to close the gap once and for all.

Mr. Speaker, it is anticipated that the 1 per cent tax rate increase and the removal of the exemptions from yard goods and adults' clothing and footwear will increase our sales tax revenue by about \$118 million in 1993-94. This will bring us significantly closer to closing the gap between our revenues and our expenses.

No one would deny that the amendments made by this Bill place an additional burden on the people of Saskatchewan. There is no question that the next few years will be challenging for all of us, but we must all contribute if the balanced budget plan is to succeed.

However, Mr. Speaker, we also realize that the sales tax increase is a greater burden for some than it is for others. Therefore for Saskatchewan businesses we are continuing to phase out the sales tax on direct agents used in manufacturing and processing. As members may recall, during the budget speech I announced an 8 per cent manufacturing and processing tax credit on eligible equipment acquired by Saskatchewan small businesses. In order to allow our businesses to compete in an expanding market-place, this Bill exempts 1-800 telephone services from the sales tax. Finally, we are lowering the small business corporation income tax rate.

For those Saskatchewan families who can least afford to pay additional sales tax, we have undertaken several measures. First, we have retained the sales tax exemptions for children's clothing and footwear, as well as for other necessities such as food, drugs, and residential electricity.

We are also increasing assistance to working poor families under the Family Income Plan. There will also be an increase in the monthly social assistance payments to families with children. Next year we will introduce the child benefit plan to further support children in low income families.

Mr. Speaker, we have made some tough decisions. But we are trying to implement them with compassion, and I would encourage all members to support this Bill.

Mr. Speaker, I move that An Act to amend The Education and Health Tax Act be read a second time.

Mr. Toth: — Thank you, Mr. Speaker. After listening to the Minister of Finance, I believe that further scrutiny should be taken of this Bill. And to allow a little more time, I move that we now adjourn . . . (inaudible interjection) . . . I move adjournment of debate.

Debate adjourned.

Bill No. 65 — An Act to amend The Corporation Capital Tax Act

Hon. Ms. MacKinnon: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to move second reading of Bill No. 65, An Act to amend The Corporation Capital Tax Act.

This Bill, Mr. Speaker, increases the corporation capital tax resource surcharge from 3 per cent to 3.6 per cent of a resource company corporation's value of resource sales, effective April 1, 1993.

Mr. Speaker, the corporation capital tax is essentially

an annual tax on the wealth of a corporation. It's an important source of revenue to the province. In the 1993-94 fiscal year the tax will raise almost \$150 million.

Mr. Speaker, since July 1, 1988, a corporation capital tax resource surcharge has been levied on resource corporations in the oil and gas, potash, uranium, and coal resource sectors. The surcharge is calculated as the difference between 3 per cent of the corporation's value of resource sales and its existing corporation capital tax liability.

Effective April 1, 1993, the tax rate is increased to 3.6 per cent of the corporation's value of resource sales in the province. The changes in the rate of the corporation capital tax resource surcharge, Mr. Speaker, will increase revenues in 1993-94 by approximately \$15 million.

Mr. Speaker, I move second reading of An Act to amend The Corporation Capital Tax Act.

Mr. Toth: — Mr. Speaker, as well in order to facilitate my colleague's desire to look at the Bill and take closer scrutiny, give closer scrutiny to the Bill prior to moving it into committee, I move that we now adjourn debate.

Debate adjourned.

Bill No. 66 — An Act to amend The Income Tax Act

Hon. Ms. MacKinnon: — Thank you, Mr. Speaker. I am pleased to rise and move second reading of Bill No. 66, An Act to amend The Income Tax Act.

This Bill introduces policy changes which improve the competitiveness of the corporate tax system for small businesses, and also introduces a series of technical amendments required by the federal government in its administration of the provincial income tax system.

Before I explain the nature of these amendments, I would like to update members on the status of our work in reforming the personal income tax system.

Saskatchewan, along with other provinces and the federal government, are presently examining a new model that would allow the provinces to levy personal income tax on taxable income rather than basic federal tax. The Government of Saskatchewan is hopeful that the provinces and federal government will agree to a new model of income tax which will provide the provinces with more flexibility within the tax collection agreements.

A move to tax on taxable income would increase our ability to create a made-in-Saskatchewan income tax system that ensures ability to pay is the primary determinant of a person's tax responsibility.

A tax-on-income model could also simplify the system. The various components of our current system such as the flat tax and the surtaxes could be replaced

by a single provincial marginal tax rate structure.

The income tax system can be used to deliver economic as well as social policy. As I announced in the budget, Saskatchewan's co-ops and small businesses are the most effective in creating jobs. They are responsible for creating two-thirds of all new jobs in this province over the past 10 years.

I announced in the budget that in support of co-ops and small businesses, the small business corporation income tax rate will be reduced from 9 per cent to eight and a half per cent effective January 1, 1994 and to 8 per cent effective January 1, 1995. When combined with last year's reduction on the tax rate, our small businesses and co-ops will benefit from a 20 per cent reduction in their tax rate.

I also announced the introduction of a manufacturing and processing tax credit equal to 8 per cent of the value of eligible equipment acquired by Saskatchewan small business corporations. This credit will be in effect April 1, '93 through to December 31, '93 and will assist in Saskatchewan's economic recovery.

This Bill implements both the small business corporation income tax rate reduction and the manufacturing and processing credit. These two measures will encourage growth and small-business development by improving the general climate for business investment and job creation. The manufacturing and processing tax credit will help place the Saskatchewan manufacturing and processing industry in a stronger position to compete interprovincially and internationally.

In addition to these policy initiatives, this Bill implements technical amendments to The Income Tax Act. Some of these amendments allow Revenue Canada to administer the income tax system more fairly. These amendments, first, allow refunds for taxation years after 1984 without regard to the three-year statutory limit; second, allow Revenue Canada to waive or cancel interest or penalties where they result from factors beyond the taxpayers' control such as when a taxpayer is prevented by illness from filing a tax return by the April 30 deadline; third, give discretionary power to allow a taxpayer to apply to make a late or amended election or to revoke an original election; and finally, permit a taxpayer to apply to extend the time to file notices of objections and appeals. I would be pleased to answer questions concerning the amendments when discussing the Bill at the Committee of the Whole.

Therefore it gives me great pleasure to move, seconded by the hon. member from Regina Dewdney, that An Act to Amend the Income Tax Act be now read a second time.

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I'd like to make a few comments before I move adjournment of debate on Bill No. 66. As we've been sitting here this afternoon, Mr. Speaker, the Minister of Finance has brought forward four Bills that are dealing

specifically with more taxation in the province of Saskatchewan, asking people to dig into their pockets and to shell out more.

This afternoon in question period we saw the Minister of Economic Development and then the Premier stand up in this House and again go to the same old rhetoric of blaming their problems on the former government. I'd just like to remind them, and I'd like to remind a few people out in . . . who may be watching today . . . I'd like to ask a few questions and then ask them to give some consideration as to why we need the tax increases.

The minister talked about the great deficit that was built up. The Premier talked about the deficit that was built up, and yet the Premier intentionally forgot to bring forward the fact that the government of the '70s, the government that he was a part of, went out, went across to New York banks and lending agencies, borrowed money, and purchased potash mines — purchased potash mines when the interest rates were high; purchased potash mines when the value of potash and potash mine . . . the mining industry was high.

Mr. Speaker, they went and borrowed money at high interest rates to buy farm land across the province of Saskatchewan and drove up the price of farm land, spending high interest rates. And lo and behold, in the 1980s who was left to pay the bills?

Also, Mr. Speaker, which government was it that forgot to fund the pension plans? And I think there are people sitting in this Assembly today who know very well exactly what would happen to their pension plans and what was sitting out there because they were not funded; because the government of the 1970s chose to take that money and put it in the Consolidated Fund rather than putting it aside so that at the end of the day when the public sector and teachers were retiring, there would be sufficient funds to build up and to carry these people into their retirement rather than putting an added burden on the taxpayers of Saskatchewan.

So there's little wonder that we have a Minister of Finance standing in this Assembly today decrying and bemoaning the fact that because of this deficit, supposedly laid at the feet of the government of the 1980s, but in actuality going back to the '70s and the '60s, now is forced to go to the people of Saskatchewan and ask for more money, to ask for an increase in personal income tax, to ask for an increase in the E&H (education and health) tax. At one time, not that long ago, they said there would be no more PST (provincial sales tax) in the province of Saskatchewan. It would be eliminated. But in fact what have we seen? We've seen the E&H tax go from 7 per cent to 9 per cent, and I predict by the end of next year it will be 10 per cent.

As well, the Premier, when he was campaigning, said don't harmonize; it's not the proper thing to do. And yet the minister stands up today and tells us that they're going to expand the E&H to cover more

services. And I again would suggest to you, by the time the next election rolls around it probably will be a totally harmonized tax with the goods and services tax.

So, Mr. Speaker, I think the people of Saskatchewan are beginning to realize exactly what took place on October 21, 1991 when they elected this NDP government, this government that promised so much and said they could do so much more by eliminating waste and mismanagement. This government today has just dug deeper into the people's pockets to the point that there is less to go around.

And we just also heard of the fact of the number of individuals who are not working in the province. — 16,000 jobs fewer than there were two years ago or 18 months ago. And we look at the teachers who are losing their jobs. We look at the nurses who will be losing jobs. And one has to ask themselves, who will be left to pay the bills when all these jobs disappear? In fact the targets that the minister has set that they hope to attain through this year's budget, what is going to be left? Who's going to be paying those bills? I would be surprised that the government even comes close to meeting half of the target of the proposed income when you look at the few jobs and fewer individuals and especially individuals in higher income brackets who don't have jobs any more and don't have the ability and will not be paying the taxes.

So, Mr. Speaker, I think there is a number of areas and a number of questions that can arise out of the Bills that we've seen before us and even Bill No. 66. And to allow for further scrutiny of this Bill, I move to adjourn debate.

Debate adjourned.

(1500)

Bill No. 67 — An Act to amend The Municipal Revenue Sharing Act

Hon. Ms. Carson: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to move second reading of Bill No. 67, The Municipal Revenue Sharing Amendment Act, 1993. As many members will know, The Municipal Revenue Sharing Act establishes a level of provincial assistance to be allocated to both urban and rural municipalities. Accordingly, the amendment gives legal effect to the decisions reflected in a 1993-94 budget.

The amendment provides for an overall adjustment in funding through the revenue-sharing program to urban and rural municipalities. This funding adjustment implements a second year of the two-year funding strategy for municipal revenue sharing which was announced last year.

More specifically the Bill provides for an overall 5 per cent reduction for urban municipalities and 3.6 per cent reduction for rural municipalities. SUMA (Saskatchewan Urban Municipalities Association) and the provincial government consulted extensively

on how best to fairly and equitably distribute the revenue-sharing funds to individual communities.

It was decided to use the program's distribution formula and to provide a measure of protection and stability for over 200 communities by continuing with a safety net provision for 1993. The safety net is set so that no community will face a funding reduction greater than 10 per cent from last year.

The reduction in rural revenue-sharing funds has been accommodated by eliminating the basic grant, which is reflected in this Bill, and reducing the equalization component. These changes were made in consultation with SARM (Saskatchewan Association of Rural Municipalities) and restore the historical balance between conditional and unconditional grants.

Road construction and maintenance grants are maintained at the 1992-93 level. This level of support will continue to provide important jobs in the road construction industry as well as indirect support to other rural businesses. These changes, when taken together, are reflected in The Municipal Revenue Sharing Amendment Act, 1993. The total revenue-sharing funding of \$86.7 million represents a significant level of financial support to Saskatchewan municipalities.

Mr. Speaker, I move second reading of Bill No. 67, The Municipal Revenue Sharing Amendment Act, 1993.

Mr. Toth: — Mr. Speaker, I listened with interest to the Minister of Community Services — I believe is the new portfolio that . . . Municipal Government, pardon me — presenting this Bill to the Assembly. And again as I indicated before, I find it interesting that this minister, who was former mayor of the city of Melfort, would be standing here and suggesting that everyone is very happy with the decisions made by the present government to offload the cost and the debt of provincial spending on local governments. And local governments over the years have proven that they have an ability to live within their means.

Now the minister had mentioned that there was extensive consultation and that everyone was basically happy. And yet, Mr. Speaker, I might add, in attending a meeting at Yorkton sponsored by the RM (rural municipality) of Saltcoats over the reduction in futures grants, there didn't seem to be a lot of happy people at that meeting. In fact they sent a resolution asking the government to give reconsideration to the future grants and they've offered a number of suggestions. And I trust the minister will take the time to review their briefing and review the motion that they put forward, and at least take the time to indeed consult with these groups.

And the question was asked at the meeting why the Minister of Municipal Government didn't take the time to come out to Yorkton to meet with the number of RMs that were available and that were addressing the question today.

Mr. Speaker, one has to also ask themselves whether SARM and SUMA are indeed very happy with the present legislation that we have before this Assembly on workers' comp and occupational health and safety, and whether or not they will be happy with the offloading that is going to take place indirectly through the Bills that are before us.

So, Mr. Speaker, I think here again we must take time to review the Bill before us, review the expenditures that have been . . . and the offloading that has taken place, and therefore I move adjournment of debate.

Debate adjourned.

Bill No. 68 — An Act respecting Financial Arrangements for Urban Parks

Hon. Ms. Carson: — Thank you, Mr. Speaker. I rise today to move second reading of Bill 68, The Urban Parks Financial Arrangements Act, 1993. This Bill implements a number of budget decisions for the 1993-94 fiscal year representing funding for Meewasin Valley Authority, Wakamow Valley Authority, and Wascana Centre Authority.

Provincial statutory funding for Meewasin and Wascana is to be reduced by 6.2 per cent for the 1993-94 from the level provided last fiscal year. Consultations have occurred with the other participating parties for these Authorities to determine whether they prefer to reduce their own contributions by the same percentages or, alternatively, follow some other course. These included the cities of Saskatoon and Regina and the universities of Saskatchewan and Regina.

In all cases except the University of Saskatchewan, the other parties indicated they wished to retain the present cost-sharing arrangement and thus reduce their statutory payments by the same percentages as for the provincial government. The University of Saskatchewan advised it was prepared to provide the same level of funding as had been budgeted for this purpose, in effect the same amount as last year.

The amendments being made reflect the wishes of those various participating parties.

The Wakamow Valley Authority, the provincial budget maintains funding at the same level as provided last year. The amendment in this Bill implements that decision without any increase or decrease. The measure of restraint being applied to Wascana and Meewasin are necessary in the context of the provincial government's own fiscal situation.

Mr. Speaker, I move second reading of this Bill.

Mr. Toth: — Mr. Speaker, I believe there are a number of areas that should be at least addressed a little further. But I don't believe we will have a lot of major questions regarding Bill No. 68, therefore I move adjournment of debate.

Debate adjourned.

Bill No. 69 — An Act to amend The Assessment Management Agency Act

Hon. Ms. Carson: — Thank you, Mr. Speaker. I move second reading of Bill No. 69, The Assessment Management Agency Amendment Act, 1993.

This Bill implements a 1993-94 provincial budget decision to hold provincial funding for the Saskatchewan Assessment Management Agency to \$7.5 million, the same level as we provided last year.

SAMA's (Saskatchewan Assessment Management Agency) board of directors was advised of the proposed funding level for this year in advance consultations in early December of 1992. The provincial budget confirmed this earlier notice which was provided to give SAMA an opportunity to accommodate the provincial proposal. I have also indicated that for 1994 the government is considering either substantially reducing or eliminating provincial funding for this agency.

The valuation services which SAMA provides to determine property and business assessment are, in the opinion of some, essentially services to local governments to enable them to use their property and business tax base. The suggestion had been made that if this is a government's intent, there ought to be broader consultations to consider SAMA's roles, responsibilities, organization, and financing.

I agree with this suggestion and plan on pursuing it. For the time being, however, the Bill simply holds provincial funding at last year's level for 1993.

Mr. Speaker, I move second reading of this Bill.

Mr. Toth: — Mr. Speaker, in order to allow my colleague a little more time to review the Bill before us, I move to adjourn debate.

Debate adjourned.

COMMITTEE OF FINANCE

**General Revenue Fund
Highways and Transportation
Vote 16**

Item 1

Mr. Swenson: — Thank you, Mr. Chairman. Mr. Minister, I'm wondering what role you as Transportation minister played in the recent attempts by the city of Moose Jaw and various business groups there to bring the CPR (Canadian Pacific Railway) communications centre to that community. I wonder if you could briefly outline to the Assembly what role you and your officials played in that particular negotiation.

Hon. Mr. Koskie: — . . . department in respect to that was the Department of Economic Development. We

had discussions with them but in bringing . . . discussions with CP (Canadian Pacific) was primarily done . . . not primarily, was done through Economic Development and to some extent in respect to Finance. They had some discussions vis-a-vis tax rate on diesel fuel and the like, and also the relocation of jobs was handled under the Department of Economic Development.

Mr. Swenson: — So what you're saying, Mr. Minister, is that you personally did not meet with anyone from the city of Moose Jaw, anyone from Canadian Pacific corporation, or any of the various business groups that were interested in this relocation. You personally didn't have anything to do with that?

Hon. Mr. Koskie: — No, I did not. I had some discussions with officials of the CP, but in a general outline of their general business concerns as it relates to the CP. But specifically in respect to the discussions, it was handled by Economic Development.

Mr. Swenson: — Mr. Minister, I find it a little strange that the minister responsible for Transportation, transportation policy, and obviously the companies involved in the transportation sector in our province which is a very large one — and certainly our railroad network is one of the most extensive in the country — that the minister responsible for that network wouldn't be interested in 200-plus jobs and a payroll that was in excess of \$7 million a year with the obvious spin-off components that would affect Saskatchewan's economy and society.

Certainly I would think that your department does economic studies all the time — that they wouldn't have been the key component as far as advising other departments — on the number of miles run by the railways, number of litres of fuel used, all those sorts of components that would have entered into this decision. You could have played a very valuable role in this particular negotiation which failed and now has gone to the city of Winnipeg. I'd like you to comment on that.

(1515)

Hon. Mr. Koskie: — Well as I indicated to you, it's not a question of disinterest. We are interested in location of any jobs that we can get, but I indicated to you that our department had done studies in respect to taxation, in respect to rail. We have had discussions with them in respect to that. Any concessions in respect to taxation would be dealt with directly in respect with the Department of Finance.

In so far as the relocation, the lead department as I indicated to you was Economic Development. Certainly every effort was made by the department. And our department here, in any of the studies that they had in respect to taxation of railways was made available, and we took a keen interest to that extent.

But the direct contacts vis-a-vis any tax concessions, vis-a-vis relocation, vis-a-vis the terms under which

they were offering to locate, was done, as I indicated, by Economic Development. And I make no apologies for that because they were the lead department in respect to it. And our officials were monitoring it or giving any information that they had done in respect to any studies and played an important role to that extent.

Mr. Swenson: — Well, Mr. Minister, a lot of the people in the community of Moose Jaw and surrounding area, the civic administration, the business community, have asked me a lot of questions. And maybe you can be helpful here.

The studies that you did that you then shared with other departments, would you be prepared to share those with this Legislative Assembly so that I can impart them also to the civic administration in Moose Jaw, the downtown business district, and others that worked so hard to try and bring this particular facility to Saskatchewan and to our community. I wonder would you be prepared to share those with us?

Hon. Mr. Koskie: — Yes, there's a number of studies. The essential study, as I indicated to you, was in respect to the concern that was raised by CP vis-a-vis taxation across Canada as it affected the CP. We did a study on that and there was also one study commissioned by the federal government which we have access to.

We have been making that available to any of those that were inquiring in respect to the information that had been done from the studies. Those studies are available and we can certainly make those available to you or to the community of Moose Jaw if indeed we haven't already. I can't say for sure.

I'm advised that our studies have been made available to the city of Moose Jaw and we're willing to share those.

Mr. Swenson: — Well I'd appreciate that, Mr. Minister, because there's an awful lot of people in Moose Jaw that feel that this was an ideal opportunity not only to draw a major transportation component, a high-tech component to our province and particularly to our cities so that we could build on that. And the future, that payroll of over \$7 million would have been a tremendous economic booster to that particular part of the province.

And people are very curious as to why there was no further movement on this thing, that it seemed like it was going to Winnipeg all along. So I'll look forward to you sending those across to me and then I can share them with local people. And perhaps then when the Minister of Economic Development comes forward, we can get into the details that he obviously handled rather than yourself.

Hon. Mr. Koskie: — As I indicated to you, we will make those studies available. They're public knowledge. We have discussed those also with the officials of CP. And while there's not full concurrence with the content of it, nevertheless we have done it not

only within the department, but we have an additional one which is a consulting firm, I believe initiated by the federal government, in respect to taxation.

I think that those are the two reports, is it not correct? Yes. I'll make those available to you.

Mr. Britton: — Thank you, Mr. Chairman. Mr. Minister, I have a few questions I would like to talk to you about.

In my constituency, we're talking about Highway 14 going west from Unity; Highway 31 from Kerrobert to Macklin or vice versa; Highway 317 which connects Highway 31 down to Highway 51.

Mr. Minister, I notice in your construction projects, all that I see in that area is the 16 kilometres you're talking about west of Unity, in the Senlac area. Mr. Minister, all we're doing there is repairing excessive damage, and I would like to maybe bring you up to date on the history of Highway 14.

Highway 14 was . . . the subgrade was built in the early . . . the late '60s. And in about 1971 the government changed and your government came in and didn't do anything with that highway until later on when my government became government. And by the time that that had happened, we had lost the subgrade and that had to be rebuilt. That all had to be rebuilt again.

Mr. Minister, I'm asking you, are you not in danger of letting that same thing happen again? And I hope, sir, it is not purely political. I think common sense and the economic impact does require you, sir, to finish the surface of that road. Would you give me an indication of what your plans are for Highway 14?

Hon. Mr. Koskie: — I want, first of all, to indicate to the hon. member that I think if you look through the schedule here that it has been fairly well distributed throughout Saskatchewan, and there is no politics in the schedule.

I want to clearly indicate to you that we are under stress, though. I can indicate to you that the previous budget, capital budget, back two or three or four years ago was something like up at the maximum 116 million, if I'm not mistaken. That's capital and rehabilitation.

That dropped, in 1991-92, to about into the 84 million, somewhere in . . . that's the approximation, 84 million. And then subsequently in '92-93, it dropped down to \$65 million . . . is what we have to deal with 25,000 kilometres of highway. So it's not a very big budget, but those are the circumstances under which we work.

This year, as you will indicate in the budget, we have \$75 million, but part of that is represented by the federal contribution also. So we're really working with that \$75 million, and all I can say to you is that I have had the department . . . I came into the department on September 30, and they are trying to

develop a strategy to maintain what is something like \$6 billion infrastructure.

Couple of things I need to point out. One is that within the restricted budget, we have to somehow pick out the priorities. That's what the department has been trying to do.

Secondly, the second thing that influenced the schedule somewhat is that the federal government required that we in fact do it on those main highways, as I mentioned the other day — like 16, No. 1, and you know them, 7, 11, and so on. And so that transferred more of our capital construction budget into in fact those highways.

So all I can say to you in respect to it, we've gone as far as we can. We think that we have addressed the best we could the pressing needs in the schedule that we have put forward. I appreciate you bringing forward the information to me. I will have the staff of course take notice of this, and when we're making up future budgets that we take a look at it, depending on finances again.

But I know that particular highway from Saskatoon through Asquith and Biggar and through Wilkie and out to the Alberta border. So we'll take a look at that in the future.

Mr. Britton: — Thank you, Mr. Minister. I appreciate your position and I would . . . I think in my remarks I pointed out to you that this has happened before where we lost the subgrade on that highway and we had to rebuild it all. Now I hope that don't happen again.

I want to point out another thing to you, sir. You're talking about the federal government more or less indicating where they want you to put your share of the money, and I appreciate that. However, Highway 14 is an east-west avenue for the people in that area. I think we connect on Highway 40, if I'm not mistaken, in Alberta — a very good highway. And in the area . . . Or maybe Highway 40 is up a little north.

What's happening in there, sir, is we have a heavy oil traffic. And I'm sure from what I heard the minister say the other day, that your government is not trying to discourage oil production. Now if you look at the economics of that highway, you may find that by not finishing the surface it's bad economics because you'll lose the highway again and we'll have to redo it again. That's the point I want to make to you, sir.

And I want you to look at another little thing about that area. In that west and south corner of my constituency, over the years has had very little road work done in it. And if you look at the three highways I pointed out to you, sir, you'll find that Highway 14, Highway 31, and Highway 317, going down to Highway 51, opens up that whole area to decent roads. And if you drive through there some day, you'll see what I mean.

And the five-year project that I had developed with my

government was that those roads would be finished. There's a short portion on 31, from I believe Salvador to Macklin, I would like to see you finish. It doesn't make a whole lot of sense to me to leave that portion not finished. Highway 317 goes down to just south of Cactus Lake.

And I'm not suggesting, sir, that you can do the whole thing on 317 in one year. I understand that. But I would certainly appreciate if you would consider doing some each year. Because if you look at the area within itself, you'll find that it does open up that whole area, and it is not a lot of road work if you consider the size of the area. And it does give us on Highway 14 an east-west route coming up 31, comes up to Biggar which gives us a route into Saskatoon, if you will. Highway 51 gives us another east-west access. And I think, sir, if you look at it, it makes a lot of sense.

And I would ask you I suppose this year — unless you have some leeway you may not be able to do a whole lot in there — but I would pressure you, if I can, to don't make the same mistake on Highway 14 that we did a few years ago. It does not make economic sense.

Hon. Mr. Koskie: — Well I appreciate the comments of the member. I want to indicate that in respect to some of the highways that he mentions, Highway 31 and Highway 317, I think he will appreciate that the volume of traffic is relatively light on those two highways. The traffic counts are relatively low. That's not to say that they shouldn't be developed.

I just want to say one thing, that we're taking a close look at and responding to some extent even within the limited finances that we have, and that is looking at a highway construction relative to economic development and tourism. I'm not sure that . . . I know that we have addressed it to some extent throughout the years, but I'm having the department take a look at a study to better focus on either putting in roads for economic development more readily or servicing at a higher quality those roads with economic needs. And certainly we're doing that.

(1530)

And I just indicate to you, south of Kindersley on Highway 21 I believe it is, that was a heavy use for oil traffic also. And we have done work on that and that's part of the reason for doing it.

So I appreciate your comments. All of the considerations will be given. I think within the . . . I'll not be able to meet all of the expectations, but certainly we're open to review them and to consider your input into it. And I'll certainly take a look in respect to Highway No. 14.

Mr. Britton: — Thank you, Mr. Minister. If you're talking about the highway count, when the road is a bad road naturally the count goes down. I happened to in my previous life depend on heavy trucks for supply. And the truckers at that time told me they would rather use 14 than 16 because of the hills and so on that was on the other highways. That's a very flat

route; they like it. However when they get to Saskatchewan the road was not as good, so we didn't use it.

The other thing is the same in the area of 31 and 317. Those folks there would use that road more if it was in better condition. Highway 21 is also a concern of mine. It's under heavy stress right now; I agree with you there, and it's going to have to have your attention for two reasons. In my area the oil patch is coming into our area. We have very good play going on in the Senlac area, Macklin — Senlac, over as far as Rutland. And we also, in the foreseeable future, have two high throughput elevators being contemplated in the Unity area, which will again put stress on Highway 21.

So those things I think have to be considered. And I would appreciate you, sir, if at another year or another time if you would give us the privilege of submitting to you a plan that we would like you to consider before you have come out with the final decision.

I guess what I'm saying to you, sir, when we were government our Highway minister — and this is not meant as criticism — our Highway minister came to us and said, give me your five-year plan. And we did that, and not necessarily believing we were going to get it, but that give him and it would give you, sir, a chance I think to plan. And under that five-year plan, 31 was to be finished, 14 was to be paved, and 317 was to be in piecemeal style finished up to 51. So when I get your . . . what you decided, without any chance of talking to you about it, I felt a little like I was left out.

And I understand the constraints you're under, but I think if you would look at that for another year, it maybe would help us.

I have one more concern I would like to bring to your attention, and it's not to do with the highway itself. But could you tell me how your highway people purchase their filters for their equipment?

Hon. Mr. Koskie: — I'm advised that the filters are purchased through tender, through SPMC.

On what you're saying — and that's a reality that there's a lot of high-input elevators springing up — the thrust, I think, of the federal government looks as though there will be a direction towards more rail line abandonment and more hauling longer distances. This is already impacting on the highway system.

And I've had people raise concerns in the Outlook area in respect to the quality of the highway. I have problems over in Kamsack area because of a possibility of a high-input elevator. Melville is another one. So we've got a compounded problem in that if the method of payment, as the federal government is designed to change, and also to have a massive rail line abandonment, the problem that we have is that nowhere in their discussions have they ever indicated that they will compensate or at least make funding available to the provinces and the municipalities for the infrastructure that replaces . . . that will be used

instead of the rail. And that is a real concern to us.

And as I said, SARM had met with the federal officials with a proposal in respect to if a line is abandoned, compensation. We have worked out a proposal with a federal consultant — or it was a federal consultant that did the work, I believe — in respect to the impact of rail line abandonment.

So we have a growing problem confronting us. And what we're trying to do within the department is to put a plan together for the overall transportation here in Saskatchewan. And the department is working rapidly, trying to accommodate that.

Mr. Britton: — Thank you, Mr. Minister. Mr. Minister, if it's any comfort and I'm sure your department knows, your predecessor in our government lobbied the feds very heavy for exactly what you're talking about, is some compensation to our Highway department because of the abandoning of railroads. So you may even find it in your department. And I hope you continue on with that because I believe it's a valid request from us to the feds to give us some help on the highways.

Mr. Minister, I would like to develop a little further the question of the purchase of the filters. Now I understand you to say that SPMC, the purchasing agent . . . am I to understand then in order to get the information that I have to go to SPMC?

Hon. Mr. Koskie: — Yes. All of the large volumes that go to tender of that nature would be with SPMC — Saskatchewan Property Management Corporation. And that's, I'm advised, where the information would be obtained.

Mr. Britton: — Thank you, Mr. Minister. This will probably be the final question, depending on your answer. Then am I to assume you don't know whether we do any recycling of those filters?

Hon. Mr. Koskie: — What I'm advised is that there has been some limited attempt at recycling, but it's just at the infancy stage. Certainly if you have any company that is in that type of business, we'd be pleased to be advised of it and consideration could be given. But it's not well advanced for recycling of the filters, not far advanced apparently.

Mr. Britton: — Thank you, Mr. Minister. I do have . . . There are several people that do this. I'll send a copy of this over to you, sir. And the reason I brought this subject up is that I'm under the . . . I've been told that we do very little recycling. I've also been told that we buy out of province and that's why . . . but I'll visit with you on a personal basis on this matter.

Hon. Mr. Koskie: — Thank you very much for providing this information and I'll appreciate the opportunity to discuss it with you privately.

Mr. D'Autremont: — Thank you, Mr. Chairman. Mr. Minister, the issue about the filters, I think it's very important that we take a serious look at recycling and

reusing these because of the environmental impact this can have. If we simply use the filters and then dispose of them, it's just more addition to our landfill sites that isn't necessarily needed.

At some point in time they will be no longer useable. But I believe it's important that we take every opportunity that we can to recycle this material. And most of these filters are made of paper, so it's fairly easy to wash them and to reuse them. You have to be careful that there's no holes that allow the dust to collect through that, but it is possible to do it and it happens all the time in the agriculture industry. People recycle their filters 2, 3, 4, and 5 times.

So it is possible to do so and I think it would be very important that the Department of Highways with their large number of vehicles takes an opportunity to do this, Mr. Minister.

Hon. Mr. Koskie: — I totally agree with what you're saying. The information has been provided; the department will take it seriously; we'll take a look at it. In respect to recycling, one of the innovations that they have come up with is in respect to resurfacing a road, clawing up the present asphalt and then reusing it. That has been a tremendous innovation as well. But that's not with respect to filters.

But also in respect to tires, we tried using rubber, or melted-down rubber as a part of the mix back a few years. I don't think it worked. They are still carrying it on — research — in Ontario, in respect to it. And I don't know whether or not it will work or not, but I don't think it was very successful here.

So some efforts are being made within the department to recycle and I certainly appreciate what you say, that it's important.

Mr. D'Autremont: — Thank you, Mr. Minister. It seems that the only people who do a successful job of putting rubber on the road is teenagers. I'd like to ask you a question dealing with the employment practices of the Highways department. How does the Highways department go about hiring new employees, and how do they go about hiring temporary employees?

Hon. Mr. Koskie: — For the employment of new personnel for the Department of Highways, it follows the same practice through the Public Service Commission. Applications are made for positions that are posted, and within that of course any position that is posted, any existing individual within the department would have the right also to apply for an advancement as a position came open, or a lateral transfer. So that's basically how it works.

Out-of-scope positions, senior positions, normally what is done there I believe is that there's an advertisement for the position. If you're looking for a deputy minister or assistant deputy minister there's normally a competition in respect to it. That's generally how it operates.

Mr. D'Autremont: — This procedure would also be in

place for temporary employees that would be hired on a short-term basis. No, I'm not thinking summer students here, but somebody who might be hired for a one-month project or two months or some short term.

Hon. Mr. Koskie: — The casual employees they indicate to me they can pull in without competition, up to 20 days . . . over two months. Those they can pull in with applications outside of having to go through the Public Service. So up to that for casual.

Mr. D'Autremont: — And how would this work, Mr. Minister? Would somebody within the department have a project, say, that's going to last a month, and they would just simply go out and hire somebody, or is there a procedure, some criteria that you go through?

Hon. Mr. Koskie: — Normally what they do if they need casual is to try to attempt to get them at a local level, in the area that the work is being done with the department. That's what I'm advised.

(1545)

Mr. D'Autremont: — Is there any criteria though on how that hiring takes place? Is it just pertinent to where that actual job . . . If the job is in community A, then you would hire somebody from community A rather than from community B.

Hon. Mr. Koskie: — We have the six districts, of course. And within the districts we have the different maintenance depots in the various towns. You take Swift Current; there's several of them in there. And similarly in the other districts.

So I am advised that what happens is that . . . for instance, I know my area, Watson for instance, if they needed somebody on a casual basis, then the person that's the head of maintenance there would see if there's anybody around locally that they can pull in. And similarly at Lanigan or whatever other area.

So it's left up to the individual maintenance area to do it.

Mr. D'Autremont: — Would these positions be advertised in any way or would it simply be that the local supervisor could go out and pick two people to have the job?

Hon. Mr. Koskie: — Well they aren't advertised because they're short duration that they need them for. And they just simply go out and find an individual that can work for that length of time.

Mr. D'Autremont: — Well I'm surprised that there isn't at least some criteria in place for this hiring, that it's simply left up to the supervisor or whomever it might be.

At what level would that decision be made? Would it be the person who is actually driving the truck and the other . . . the casual labour is going to be helping him with a shovel? Or who makes the decision on the hiring?

Hon. Mr. Koskie: — I'm advised it would be the supervisor of operations. There's nothing sinister about it. They just . . . These are short-time employees. Many of them repeat. They may be in an area and have worked for the department before and may be available at call. Apparently that's all . . . It's done by the supervisor of maintenance.

Mr. D'Autremont: — Well the reason I had these questions, Mr. Minister, because I received a phone call from an individual in a community with a maintenance depot who is on welfare and who applied for the job with Highways department on a casual basis — he knew it was a casual job.

The supervisor did not make the decision as to who was going to be hired. The supervisor turned that decision over to another employee who in turn hired two of his friends to fill those positions with him, because they were going to be working with this individual that made the choice as to who got hired.

The person who was on welfare felt that he should have at least had the opportunity to have an interview and be considered for that position, and he felt that he was not given that opportunity.

Mr. Minister, would you respond to that.

Hon. Mr. Koskie: — Give me the specifics and give me the name and I'll look into it, because that's not the way it's supposed to happen. The supervisor transferred it down and delegated it. And if it's improper and if your facts are right, that is incorrect. Give us the information and we'll look into it.

Mr. D'Autremont: — Thank you, Mr. Minister, I will pass it over to you.

I'd like to go on to another subject then, and that is oil surfacing or resurfacing of highways. And I wrote you a letter on this last fall about this issue.

Last year through Kenosee park, the highway through there, No. 9, was resurfaced. And it was a very shiny surface at night. When you were driving down this road, if there was oncoming traffic, you had a great deal of difficulty seeing the road. At that time you were going to look into some manner in which to take that shine off of the road. Has anything happened with that?

Hon. Mr. Koskie: — I remember the problem; I don't remember the answer, nor do my staff that are here. Can I check that out for you and get back to you? I know that . . . I believe I recall you having raised that, but I can honestly say I didn't keep the answer in my head. And somehow my staff haven't done it either. But we'll get back to you on it.

Mr. D'Autremont: — Thank you, Mr. Minister. Another question for you. When you're oil-surfacing a highway, would it be possible to only do a certain section of the road to allow traffic to bypass that section, do one lane? And I realize that on all

highways you don't have the capability to divert traffic around it. But would it be possible to do one lane, allow that to dry while you're proceeding on with other construction some place else along the highway, and then come back and do it again?

I've had people complain that they come driving along the road and the surface on their side of the lane is completely fresh oil, and they can't avoid it. Would it be possible to make some changes along that area?

Hon. Mr. Koskie: — They're telling me that it's not conducive to the construction industry because you tend to get a drop-off, and they indicate that that has a safety factor that they want to eliminate. So that's the reason why they don't do it.

In respect to the shininess of your highway there, I'm advised that the contractor is to provide a reflective tape on the highway. And usually weathering generally takes care of any existing shine. But if you have a particular problem, I will look it up for you.

Mr. D'Autremont: — Well, Mr. Minister, in that situation, it was . . . you could easily see the road as you were driving yourself, with your own headlights at night. But it was when you were meeting oncoming traffic and the lights from the oncoming traffic would reflect off the highway and back into your eyes, and it was very, very difficult to see the road. You were never exactly sure where you were heading as you met that oncoming vehicle. And so if some sort of a surface could be put on that . . . perhaps the surface could be roughed up after it's put on or some sort of a coating that could be put on to there that would not be quite so reflective.

Hon. Mr. Koskie: — I'll have the department officials take a look at that. You might indicate — I think you did — but make sure that I know what highway and in what particular area, just so we're sure.

Mr. D'Autremont: — Well this was while No. 9 was being resurfaced through Kenosee, through Moose Mountain Provincial Park is where it occurred. But I would have to assume that if a similar mix is being used that it could occur at any place.

Mr. Goohsen: — Thank you, Mr. Chairman. Mr. Minister, just to follow up on my colleague's comment there, there certainly are ways that you can off-colour the tops of the pavement, throwing in a little bit of cement and all that kind of stuff. And I'm sure your officials will find a way to take care of this problem.

I just want to go into a bit of a summary of what we've done here, Minister. We've talked about several things in the Department of Highways. And I guess by now you realize that you don't handle the portfolio with the largest numbers of dollars. Health gets a billion and a half dollars, and Education gets way more than Highways. But by the interest that you see from my colleagues and the people that you obviously deal with, you must realize that even though you don't have the most dollars to spend, you have one of the

more important portfolios in the province of Saskatchewan. That being of course because of our geography and the large distances that we have to travel and the importance that our road system naturally is to everyone in our province because we don't have the economy to be able to have airplanes or helicopters for everyone.

So reality is that even though you have some restricted dollars, you have an extremely important job to do in the province to try to provide the road network that all of the people certainly expect and need. We know that that is tough for you and the decisions are hard, and we appreciate the candour with which you have discussed the highway system with us. And we look forward to discussing other problems like the ones that we have done in days to come and the future.

With that, we would like to point out, Minister, that in view of the fact that there are such changing roles in many of our factors — for example of course, the rail-line abandonment, which you yourself have mentioned earlier today, and things like the Crow's Nest freight rate agreement possibly being cancelled. With those kinds of considerations in the offing and in the process, we would suggest to you that you work hard on some five-year, ten-year developmental plans. I'm sure that you're doing that, but it hasn't been mentioned.

But certainly I think we need to do that and we need to all cooperate in the input to that, even those areas where you may not have friends and colleagues. And the rest of us certainly would pledge our support to helping you in those areas to try to provide the best network of roads in the province as we emerge into the 21st century.

The Crow's Nest freight rate agreement, we didn't discuss at length and we won't because we could obviously stay here for another two days and do that. The reality being that it's been going on for 30-some years and the debate will continue for some time yet, I expect.

Now the reality there of course being that we thought a month or so back that we were headed smack, bang into the cancellation of the Crow and that we were going to have to face it right away. I see some softening on the horizon of the federal picture now so most likely we won't deal with the immediate impact right away, only a gradual projection.

So we won't go into it for a long time because I don't think there's going to be a real big impact on your budget for this year, as might have happened if things had unfolded as they were being talked about just a short time back.

So I think possibly by next year though you will have for us some kind of a plan of how we're going to handle this restructuring of our road system as the infrastructure of our province changes as a result of those changes to the Crow. Because it's obvious to me, and I think to most of the world, that something's going to happen there and we want you to look ahead

a bit and plan for the future in that area.

The fuel tax as it affects our rail system certainly has to be a sad situation for the people of Moose Jaw, and I'm certain that nothing hurt you as a minister more than to see the loss of those job potentials in that great city in our province. I think perhaps though that we should have tried harder. I don't want to lecture you severely; I just want to let you know my feelings that I think maybe we let the people of Moose Jaw down. We could have tried harder and I hope next time, if there is an opportunity, that you will bend a little harder and try to get those kinds of activities into our province.

We've talked about some individual roads that need attention, and I want to personally thank you for a letter that I received recently from your office and yourself wherein you indicate that passing lanes on No. 1 Highway in some of the key areas where we have congestion and a lot of mortality rates and a lot of accidents would in fact be looked into and perhaps gone with. We appreciate that.

In that light, having suggested a couple of locations in the west part of the province — at Piapot and past Maple Creek where I'm more familiar with the road — it has now come to my attention that there are people in the eastern side of the province who also feel that a couple of more spots there should have some attention, and I will ask my colleagues to bring that to your attention behind the bar later. But for those people we want them to know that we haven't forgotten them and there may be a possibility there.

I just want to add in that light, Minister, that this seems to be a good idea because a passing lane is relatively inexpensive as compared to twinning an entire road. A two- or three-mile stretch often is enough to allow a lot of traffic to pass one another and to get out of congestion, especially in the summer when we have trailers being pulled by too small a cars. And those kinds of things happen where the traffic lines up, especially on those tourist routes like No. 1 Highway always is, where people are coming through our province in great numbers.

And yet it's not wasted, because when you do double-lane the highway, you've got that sub-base pretty well there and you can integrate it into the double-laning if it's properly planned. And I would suggest your engineers can do that and will certainly probably go along with making every effort to save costs in the future so that we can double up the use of these things as we go through time.

I think that the driving public needs to have safety and wants these little things even though the budgets are tight and I think it would be incumbent upon all of us to try our best to try to make our roads as safe as we can.

The other thing I wanted to mention, Minister, before we get on with this is the rural municipal road structure that you are now taking over. Obviously this is a new thing for the Department of Highways. I'm happy that you have brought some of the official

people from Rural Development along into your department so that they can pass their expertise and knowledge about rural affairs and rural road needs on to you and the rest of your officials.

It is a big responsibility for you because there are many, many thousands of miles of municipal roads in this province. It is a network of roads that this province, I believe, can be proud of beyond measure. The planning that has gone into the road structure of this province over the last 30 years has evolved and developed into one of the finest road systems in the world and probably the most miles of road for any place with such a small population, for sure.

(1600)

So while we've done well, we need to continue to work to maintain that structure and to keep it in proper condition. That brings me to a concern and a worry about the transfer of the government's bookkeeping system into an accrual system from the cash basis and what it has done to the futures for our road construction in rural municipal circles.

The reality, Minister, as you're probably well aware, is that the cash basis allowed for the futures to be claimed in the year that it happened. The accrual means that now in two years of accrued grants ahead, you are restricted from any more building. There's going to be at least a thousand kilometres, we're told by municipal officials, that won't be built this year as a result of this ruling.

That's a severe blow to the construction industry. It's a severe blow to the municipal culvert sales people. It's a severe blow to the workforces and to of course the people who depend on having the roads upgraded for their driving pleasure and safety.

So I want you to ask your officials if there's some way that we can work our way through this accrual system to allow these people to continue to build their roads. There must be a way. There's got to be a way to get around this bookkeeping thing. Because the reality is that the cost doesn't come to you from 1995 in this year's budget. The reality is that it'll be a cost to the 1995 budget when you actually pay the money to the municipalities, if that's the year that it's due.

So there must be an accounting way that we can get around this problem so that people can continue to build their roads and expand the system as it is needed. If we let it deteriorate, we're all going to be in serious trouble.

So, Minister, I haven't really, I guess, specifically asked a question in this round but I've made a lot of suggestions to you. And if you'd like to reply to them, then I'd like to wrap up this and allow this thing to proceed to some other area.

Hon. Mr. Koskie: — I want to address some of the areas that you discussed. One is asking for a plan, and certainly I think it's incumbent on the government and the department to put together a sort of . . . not a sort of,

but put together a plan which will address the transportation needs into the future. This is being worked on as rapidly as possible in the department.

I want to indicate to you that we have asked SUMA and SARM to also participate in structuring sort of the plan. And that has started already. And I think it's very useful to have their participation. So we're well on the way to structuring an overall plan. And what we hope to do is to have the full consultation in respect to it.

In respect to passing lanes, I know you raised that issue with me. I think they are not inexpensive. As I am advised, they're quite expensive. I'm also advised that there's not much salvage in the future.

I think more work probably needs to be done in this, because I understand in the States they have a fair number of these, and maybe in some of the other provinces. We have some experience on No. 1 Highway, I guess, east towards Indian Head. And so the department will continue to study that, take a look at it. I've asked them to consider what you have mentioned in respect to the western part which isn't four-laned. And we'll continue to take a look at that.

I don't want to heat up the debate on the Crow benefit, only to say that I'm a little disappointed with the actions of the federal government in that in the minibudget, the Minister of Finance, Mr. Mazankowski, in December cut the Crow benefit by 10 per cent. And 10 per cent of 730 million was 73 million — 55 per cent of that goes to the producers here in Saskatchewan.

So basically we lost \$40 million in one whack this coming year. So it's not too great a comfort that after having taken 40 million unilaterally from the producers, that we end up getting back 35 million. I don't think it was a great exchange, although it's obviously better than nothing.

I appreciate what you indicated in respect to taking over roads, bridges, and ferries, from Rural Affairs. That we have to work . . . we have some excellent staff, as you indicated, who have transferred over from the Department of Rural Affairs. And I'm sure that we can set up a very effective method of dealing with the RMs, as has been the case under Rural Affairs.

You have mentioned the problem in respect to the accrual accounting impacts on rural road construction, and I am aware of that. The actual funding, the budget itself, is within Municipal Government. The funding, the actual budget is there. Then what we do is administer it, the funds that are made available.

There's no doubt that there's a couple problems that happened, is that Finance looked at it and they were requested to transfer over to the accrual system, as you may well be aware. They were looking at \$19.6 million outstanding in futures. And what they endeavoured to do, because under that it represented a part of the debt of the province, and what they . . . in the budgetary decision it was to reduce this debt to a

more manageable level of \$15 million. And so that was a fair amount being addressed during that current year, some \$4.6 million.

Our information here is twofold. One is that in the past two years rural road construction activity had been at about 650 to 700 kilometres. That's about where it was at over the past two years. We feel that while this will have some impact, it will not have have a . . . well it will have a reduction of somewhere between perhaps 150 to 170, 75 kilometres of construction. So this undoubtedly will have some impact.

But I want to indicate to you that the RMs that are in pretty good shape, there's nothing stopping them from proceeding on their own and constructing.

But I can only advise you that we did take a look at other options, and I think it was reviewed again by Finance. Some of my colleagues met with members of the RM, representatives of the RM over in a meeting at Yorkton, and certainly we tried to address it.

But as I say, we are on the accrual system. It was an effort to cut back on the amount of the 19.6 million to 15 million. I think the impact subsequent years will not be as severe, I'm advised. While I don't think any total decision has been made, the suggestion was to perhaps phase it over less — rather than the 4.6, to go with the smaller amount.

But that wouldn't achieve the level of reducing the futures as was required by Finance.

Mr. Goohsen: — Thank you, Minister. Just to clarify the kilometres, you may want to check that again because I was of the impression from a meeting that was held in the Yorkton area of just a few municipalities in that area that they themselves in those few municipalities that attended that meeting had between 150 and 200 kilometres that were turned down as a result of the change in the accrual system and the method of the futures grant process.

So if that in fact is true, then it would have to follow through that their estimate of 1,000 kilometres affected in the province would necessarily be more accurate. And so the impact would be quite a bit more severe on the entire provincial scene than what you may be aware of. So I suggest that you recheck that to see how deep the hurt really does go.

I suggested to you the other day, Minister, that we should be looking at reducing some of the costs in Highways, simply because your government campaigned on the issue of saying that they could do a lot of things a lot cheaper and a lot better. And to prove that point and to allow you the option to prove that point, I suggested I would move a motion to reduce.

I'm not going to move a motion because obviously your government will defeat my efforts, but I'm going to suggest to you where I think you can reduce and where I think it would be realistic for you to do that without hurting a whole lot of people. I'm going to suggest to you that if we wanted to take the time, the

area that I would have you vote on to reduce would have been under item no. 1, in the *Estimates, Saskatchewan Estimates 1993-94*, item no. 1 under Highways and Transportation, on page 70 under vote 16. And I would suggest that the \$4,494 there could be reduced by 30 per cent without seriously hurting anybody in the province. I also suggest that under item no. 6 on page 71, that the figure of \$3,028 could also be reduced by 30 per cent. And I'll leave you with that challenge of trying to do that without putting it to the test of the vote today.

The only other thing I want to mention is when you said the feds had downloaded by cutting 10 per cent from the Crow, I agree with your figures; they are accurate as far as I know.

And I want you to also know that I don't agree with them cutting that money for the province of Saskatchewan; I think that was wrong. I agree with you that it's a hardship for our province and for our producers, and I want you to know that we stand squarely together on that issue. We deserve to have that money as the system presently is, but we're not going to get, so we'll have to learn how to live without it. But we certainly don't oppose your efforts to get those dollars for the Saskatchewan economy. However it is decided to divvy it up now or later, those monies should come to Saskatchewan producers under the old agreements as we understand them.

So I stand fully with you on that issue, and I hope that somehow we can convince the federal government to stop this kind of downloading on Saskatchewan producers in whatever way it works out, whether we get the grants for municipal roads or your highway system later on. You know, there have been those suggestions. In fact the Crow goes so deep and is so broad that some people have actually suggested that rural municipalities should get the entire Crow benefit so that they could use the money to exclusively build roads.

But as I said, we could talk for three days about that. But I wanted you to know that we do support you in a lot of areas but we do think that there is some room to do some cutting.

And with that I want to conclude by thanking your officials for coming in. I want to thank you, Minister, for your candour and your honesty. And as far as I'm concerned that is as far as we need to go with our questions for this year's estimates.

Hon. Mr. Koskie: — Well thank you, hon. member. I know that you had indicated the other day some concern in respect to cost saving. And I don't think it could go without indicating to you that a tremendous effort has been made by the Department of Highways. And I want to indicate to you that it has been very, very substantial.

We took a look at it. Advertising savings alone: for '92-93, the department reduced advertising expenses some \$230,000. And this was accomplished by some very significant innovation. It was accomplished

mainly through tender advertising which was reduced by \$145,000 through consultation with road builders, by inserting tender ads only once versus twice. And we saved a total of \$145,000 by working with the department.

The balance of the reduction, by reducing the other department advertising: road bans only once rather than twice, 30,000; orange zone, 40,000; and the traffic accident information statistics, \$15,000. So there was \$230,000 that was cut there. And out-of-province travel: in '92-93, the department reduced out-of-province travel by 35,252, which was a 32 per cent reduction.

Ministerial staff, hon. member, was cut by 50 per cent. The previous minister had 12 members to his staff; we have a maximum of six, including secretaries. There's a saving there of some \$200,000.

When we had the amalgamation of Rural Affairs with the department, there's some savings of something like \$1.9 million. And Saskatchewan highway map, as I indicated to you, rather than doing and producing it each year, we did it for two years and we saved \$90,000. Recycling of asphalt surfaces, it's estimated that we make savings there annually of \$1.5 million. Truck change-over units — some trucks have been modified to accept an oil distributor tank and a truck box, and this eliminated the need to purchase two trucks. And the savings were on average of \$200,000.

(1615)

Additional savings that they have innovated in the past couple of years: dual use of fuel labs, estimated at \$90,000 saving annually; Highway Traffic Board, we reduced the number of board members from 12 to 5 with \$32,000 savings; teleconferencing, by using teleconferencing instead of travel, saving almost \$4,000; subscriptions to magazines were reduced.

So I just want to say to you that a fantastic, really, effort has been made not only in the reorganization of the department but some real deep savings for the taxpayers of the province. And I don't want to be political, but may I say we don't have any ex-MLAs, ministerial advisers, as was the case in the previous administration. We have a basic saving there. The former member from Rosthern, who had a pretty fair job with the Department of Highways, and he is no longer employed by the Department of Highways. And do you realize what we're saving, member from Arm River? Do you realize that we're saving \$285,000?

An Hon. Member: — Do you want to be here for another week?

Hon. Mr. Koskie: — No. But I just want to say in the reorganization and amalgamation, there was 1.9. I don't say this . . . I raise this only for information purposes and to congratulate the effort of the department; that's really what I did it for.

So I want to thank my staff. As the auditor said, it's one

of the better operating departments of government. And that's why he did the audit on the value for money, and I want to congratulate them for their effort during the course of the year. I guess we can roll.

Item 1 agreed to.

Items 2 to 7 inclusive agreed to.

Vote 16 agreed to.

The committee reported progress.

ADJOURNED DEBATES

SECOND READINGS

Bill No. 55

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Shillington that **Bill No. 55 — An Act to amend The Workers' Compensation Act, 1979** be now read a second time.

Mr. Goohsen: — The tone of the voice indicates that there may have been a problem deciding what we're doing but . . . Okay. Thank you, Mr. Speaker. I'm happy today to have the opportunity to discuss two Bills. First of all we're dealing with Bill No. 55, The Workers' Compensation Amendment Act. Later we will be dealing with another Act that is very close to this same area.

The reality, Mr. Speaker, is that an awful lot of people would think that these are just ordinary kinds of procedures, that along with 70 Bills in total would sort of just get lost in the shuffle, and everybody'd learn to live with it. But that's not the way it's going to be with these Bills. These Bills are going to change the direction of our province in a very significant way.

In fact the most dire predictions would indicate that this could be the Achilles' heel of Saskatchewan as a province, and could in fact end up destroying and breaking the province financially in two ways. First of all, it could cost us our businesses, and as a result of costing us our businesses, it would cost us our tax base, it would cost us our jobs, and it would cost us our people.

The other scenario, of course, is that the immediate costs involved would seriously impede business activity even if those other, more serious spin-offs didn't happen. I have some briefing notes from some people that I want to refer to today in order to get the message across to the government of why we want this Bill to be considered at some length.

Up until today, I will explain, Mr. Speaker, that we were of the opinion that perhaps the business community wasn't too concerned about these particular Bills. Nothing seemed to be have been said very much until, of course, question period today. In question period the Premier was flushed out, and he did in fact basically declare war on business in Saskatchewan. And the business community around

the province apparently must have been keeping their ear tuned to what was happening in the question period because within minutes after the question period our phones began to ring.

And I've had reports brought in to me into the House today from a couple of our members, that they continue to ring. People are phoning in — all kinds of them. They finally, I guess, have woken up to the fact that there's this very serious threat to the business community and to the workers in our province with these Bills and the way they are presently drafted.

The Canadian Federation of Independent Business though had of course speculated that there was some problems, and they had presented us with some briefing notes earlier today. And I want to go through them because apparently the calls we're getting do reflect an awful lot of what's being said in this document. And so if I go through it very quickly, an awful lot of the conditions that raise problems will be seen and brought to light.

It says here that:

Recent (leaked) correspondence I got from the Workers' Compensation Act Review Committee, chaired by Judge Muir. Note that a committee of this group is still active and meeting. They recently sent this correspondence to Labour Minister (and his name is here; I won't use it) . . . You will note that *even Judge Muir now says the W.C. (workers' compensation) Act amendments are flawed in many areas, and do not reflect his previous report recommendations.* This is in sharp contrast to the NDP government's claim that this Bill simply reflects "years of consultation".

So immediately the claims by the government, Mr. Speaker, that a lot of consultation . . . and as was stated in question period today, that . . . by the deputy, that several thousands of people have been consulted with, simply is all negated by the fact that what was consulted with those thousands of people has now been changed to something totally different than what they were talked to about. And if that in fact is true, then consultation really never happened. It is null and void.

And of course some of the members will disagree with that. Obviously they have to defend their Premier and the Deputy Premier. But the reality is that this is the way the judge himself has written it. And I guess the argument just has to be followed through.

Okay, we have . . . I just want to go through a few of these items on this and not to take the whole day up. I want to go ahead into the thing quite a ways and drop a half a dozen pages and get to some of the background of the brief:

CHANGES TO THE WORKERS' COMPENSATION ACT

It says here that:

The Saskatchewan NDP government has just introduced legislation which would radically change 63 years of history in the Workers' Compensation Board. If enacted, the Canadian Federation of Independent Business fears that workers' compensation premiums would drastically increase.

Now that has been admitted, Mr. Speaker, by members of the government already. They've already indicated a 10.5 per cent estimate, according to some studies that they've done. And members of this Assembly will of course recall that there's been some indication by people that it could be up to 300 per cent. Now conventional wisdom tells us that there's a real, distinct possibility that it could be 200 per cent, and that is a serious and significant change from 10.5.

But even if it's 10.5 . . . We have some figures from the home builders' association, for example. And I just pulled this one as an example — we have several letters doing some of the mathematics — and they . . . I'll just pick one instance out of here.

It says the increase per employee — and this would be based upon the 10.5 per cent increase with the home builders — and it would be from a minimum of \$217.30 to a maximum of \$516.16 per employee. That's the cost per employee that things would increase from the present rate to the new rate. And that's pretty significant if you start considering workforces of hundreds or even thousands throughout the province.

So even with those lower rates, it is a significant impact on business which business may not be able to necessarily accept.

I want to just go on with this. It says:

This estimate is based on research commissioned by the previous Board, with the aid of a professional accrual accountant (. . . Mercer Ltd.). They feared that massive rate increases would be created because of the government's intent to prevent future Boards from "deeming" or estimating the annual earnings capacity of those injured workers who, despite best efforts, were unable to find work in Saskatchewan's weak economy. If the Board is unable to "deem" injured workers, they were concerned that the WCB would change into a social welfare program where more and more workers would exercise their new-found rights to stay longer on claim, waiting to receive as much training and job search as possible so that they could be guaranteed job placement despite weak job skills, poor education and a shifting economy. The old Board also provided statistics to show that the practice of deeming was not widely abused, and in fact was used less than one per cent of the time.

Well, Mr. Speaker, obviously I think the research has been done, that their figures are fairly close. And I guess after examining the process that would be gone into in the legislation, it is recognized that the legislation does provide for these things to happen: that there would be a longer job search at the expense of the workers' compensation fund; that longer job search presently is paid for through other arms of government but now would come into workers' compensation which is funded exclusively by premiums from business.

(1630)

So it becomes a payroll tax in effect and nothing else but that.

Now in response to the previous board's concerns, the Minister of Labour hired several other consultants and recently dismissed all of the concerned board members. He replaced them with new appointments. Now that doesn't augur well for the kind of positive negotiating atmosphere that the government says has been going on when you've had to replace a bunch of your people.

Well they go on to talk about the 10.5 per cent, and they say it is a big untruth; they use a different word than that, but I won't read that here. They go on to talk about how the numbers are faulty and defective and why they are faulty and defective. And I guess that will remain speculation as to which side is right or wrong. I suggest though that if one side is high and the other one is low, probably some place in the middle is where we're going to end up, so there is likely a more serious problem here than what the government has admitted to the general public.

Now they also give a little, brief explanation here of why business costs will go up. It says that the object of the new Act states that it is to provide rehabilitation services for as long as it takes to return a cooperating, injured worker to a position of independence in suitable productive employment.

Well I'd be the last one, Mr. Minister, to appear to be trying to kick the crutches out from underneath sick and injured people. And reality is that I think that everyone in this Assembly would say we want workers who are injured to have every full opportunity to get back to work and to be healed up and to be rehabilitated or retrained if that's what's necessary. However it's the shift in the costing that costs our society the problems that we're going to get into. If we treat sick people under the cost of medicare, a whole group of people called the province of Saskatchewan, our whole society, is taxed in general with all kinds of taxes that helps to pay for that Bill. If we restrict this cost to The Workers' Compensation Act, we are saying only the business people who hire people are going to pay for medicare for this particular group of people. So it is segregation of the costs of medicare that is being shifted into the premium range of workers' compensation.

Now they go on to talk about things like the

educational rate of people that are injured and the fact that they are for the most part — people who in our labour force that get injured — according to statistics, people who haven't got other career options openly available to them. They have some limited educational skills, and in order to be able to transfer to different jobs they'd have to be retrained and re-educated.

Here again, nobody would say that we're against that sort of thing because obviously you have to be in favour of it in a changing society. But what we're saying is that you have to be careful not to make that shift in cost to the business community exclusively because it's not really not their fault that the people that come to work for them that have accidents turn out statistically to be people with a lower educational skill. And in order to be able to get them to work in other areas you have to re-educate them. This should be a responsibility of society in general, not of the business people . . . (inaudible interjection) . . . Now obviously some of the people from the left of the governing party will disagree.

But the reality of life is that businesses are not a pool of endless wealth that we can continue to tap and expect them to stay in our province. The reality is that businesses, if they are taxed in premiums to death, will leave the province or go broke. They will disappear. And once they are gone, well, reality is you don't have the jobs.

Suppose you lose your employers. Where are your people going to work then? The government isn't going to take over as some of the extreme left-wingers would hope because we don't have state ownership and state control exclusively like a communist state although we seem to be heading that way in Saskatchewan.

There are some other reasons why the cost to the Workers' Compensation Board will sky-rocket. Any previous health problems or conditions, as long as it merely combines with a newly reported work injury, could be fully compensated according to the new Act. This would result in a back-door approach to funding non-work related health problems through a Workers' Compensation Board payroll tax. It may also be impossible for the new board or employers to separate these medical costs since the new Act denies access to any medical file or health conditions prior to the date of the work injury.

You see, Mr. Speaker, that's exactly what we were talking about, is this transfer of costs, of who in society should be paying for certain kinds of bills that occur. The new Act greatly increases the number and variety of health care professionals who will soon invoice the Workers' Compensation Board for patient care. The Bill will also remove the previous cap on those health care costs and the medical fees may be more generous than under the current medicare system.

And, Mr. Speaker, I can use an example of something that's happening outside of this whole area that the government's very familiar with. SGI (Saskatchewan

Government Insurance) has just said that people who put glass in windows, and have insurance, have been selling the glass to SGI, if the people are insured, for something like maybe 250 or \$300 while an independent person who doesn't have any glass coverage or insurance might get that same windshield for 60 or \$70 from the same person selling it. And they have said that that's wrong.

Well if that's wrong, then it has to also be wrong to do it here, as these people point out under the Workers' Compensation Board. The same problem will result. You will have a double standard and a double billing. So if it's good for the goose, it's good for the gander; that's what I'm telling you.

And the members of course are chirping from their seats that there is no comparison. Well I think there is. I think it is a very distinct and absolute reality that this government is declaring war on business and they intend to try to tax them out of existence and out of business.

Now this goes on into several different areas and I'm going to just read a couple more of them. "All of these additional implications were never costed by the NDP government," is the concluding line here. And I think that the reality is, Mr. Speaker, that these costs have never been really costed out by the NDP. And especially in terms of what happens to our society if these businesses are forced to go out of business and they are no longer there to provide the jobs for the people of Saskatchewan.

Bill 55 will greatly politicize the Workers' Compensation Board by allowing the Minister of Labor to make regulations that supersede independent Board operating policies. The Labor minister can dismiss future board chairmen without having to prove "cause" before the legislature. The government is also expanding the administrative overhead of the Board to five from three politically-appointed members, even though the number of annual claims has declined steadily over the last several years. In a blatant payback to the big union bosses, the new legislation proposes that all future worker representatives must exclusively be nominated from organized labour, even though they represent less than 10 per cent of the private sector workers in Saskatchewan.

Now that is totally and completely unfair. And it is not only unfair, it is an absolute partisan political manoeuvre. And it takes over control of an entire area of our economy in such a way that democracy no longer is there or is served.

Now I've briefly touched on their ideas and I know that it may be somewhat disjointed, Mr. Speaker, because I didn't want to read the entire brief. It would take quite a long time to do that. And I hope that I have summarized it to some extent so that people can understand it.

But we have recommendations from this other group, and I just want to go through their recommendations, not through the preamble — the workers' compensation cost impacts and that sort of thing. And it says:

As supported by the review committee report, the Workers' Compensation Board must be run without intervention from Government or other agencies.

1. Delete sections 139(3) and 181(2)
-Both these deal with intervention and should be removed to maintain the financial viability of Workers' Compensation Board and leaves the necessary consultation process between workers and employers in place to effect changes.
2. (The) increase of 10.5 % can be reduced by efficiencies of operations and Workers' Compensation Board must be challenged to absorb this increase through savings in efficiencies to minimize rate increases.
-This accomplishes better benefits, better operation, lower negative impact on economic recovery.

We challenge Members of the Legislative Assembly to balance this legislation to the economic reality of our economy.

To other businesses and our members, we challenge all to let our law makers know your concerns about the cost impact of this legislation.

Now, Mr. Speaker, I have a lot of material here about these two Bills, and this one particularly. I just have one more thought that I want to throw into the mix, and then I will draw my conclusion as to where we should go.

Some short time ago apparently the Canadian Federation of Independent Business, that's the survey they did, July to December 1992, and I want to quote from that survey that they did.

The question was:

Should the Saskatchewan government use a form of payroll tax to generate revenues for the government?

Now they give the background of the proposal, what the government was saying. They give reasons why it should be supported and they give reasons why it should be opposed as according to the information that they had. And I think it was a very fair way of presenting a ballot to people, by giving all three sides of the story.

The results are quite significant though, Mr. Speaker. On the question:

Should the Saskatchewan government use a form of payroll tax to generate revenues for the government?

The results were in Saskatchewan: yes, 4 per cent; no, 90 per cent; undecided, 6 per cent; no interest in the issue, zero. Now that's a significant and very important set of figures for the government to consider when they are asking themselves the question, how does business and the business community feel about what they are proposing in the kinds of changes that we are seeing in this legislation?

If they want to find out how very intensely business people feel about this, that should tell them by itself. And I suggest that anybody who stands in the Assembly — as happened in question period today — and says that the business community is happy and smiling, is not right. They are not listening to the business people in Saskatchewan and around the country. And I suggest they better go out and talk to them again.

And because we see a very significant interest in this Bill, Mr. Speaker, and because we see that very significant interest generated not only through our phone calls through the afternoon and from these letters that have been presented to us and these briefs, we are suggesting that perhaps the reality is that the government didn't really understand how desperately serious this set of Bills is affecting the business community and how much they want a chance to talk to the government about this before it becomes law. And maybe the government just didn't understand that. Maybe they just don't realize what the impact really is.

And so giving them the benefit of the doubt, I think we should allow this Bill to stand still for a little while longer and give some chance for the government to negotiate further. We do believe that there are ongoing efforts for meetings to be arranged by the business community.

And to allow the government that time and give them the benefit of the doubt, I now move that we adjourn debate.

Debate adjourned.

Bill No. 56

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Shillington that **Bill No. 56 — An Act respecting Occupational Health and Safety** be now read a second time.

Mr. Goohsen: — Thank you, Mr. Speaker. Very much the same arguments that go into The Workers' Compensation Amendment Act, No. 55, go into The Occupational Health and Safety Act. While the changes are somewhat different of course, because they represent different areas of concern in our workplace, the net result of the changes would be effectively the same.

Instead of just dealing with the real problem of bringing about safer conditions to workers, which is necessary in our society, the whole process goes beyond that to the point of shifting responsibility in society for the cost of doing business and the cost of producing goods and services. There is a shift in the responsibility in society of who pays for what. That shift to the business community has to be another form of taxation on the business community, over and above what the rest of the world is paying around us.

That shift in responsibility can only have a negative impact on the number of jobs that will be available. We've heard in this Assembly earlier today, Mr. Speaker, that this government has fallen 16,000 jobs short in their goals to produce jobs. If these two pieces of legislation go through, I predict that figure will double by next year. This is absolutely chaos if we pass this, because the business community cannot tolerate in a recession and a depression these kinds of shifts of responsibility in payments for the things that the rest of the world need and want to have paid for.

(1645)

If we're going to have taxpayers paying for the plight of our workers, then we're going to have to spread it over all of society and not zero in exclusively on one group that can't afford the impact.

I want to run through a few of these recommendations that some of the people have made with regards to the Bill, just to make our point. First of all, I'll deal with the recommendations from the Saskatchewan Home Builders' Association. And they recommend that the Act should give power that are normal in our society, not powers that exceed the powers of police officers.

And of course what they're talking about here is the search and seizure aspect of this Bill which allows people that are not policemen, I guess best described as bureaucrats working for the department, would actually give them more power to search and seize than what the RCMP (Royal Canadian Mounted Police) presently have. They could come into a business and search, they could seize anything in there, and they can do that without warrants or without explanation to the courts.

That, Mr. Speaker, is not democracy. That is whatever people out there think in their minds this kind of government and governing would have to be. Where in the world . . . What countries in the world would you expect bureaucrats to have the power to kick your door in, take all of our records, and leave without having a warrant? What countries would you expect that to happen in? Certainly not Canada and the United States, certainly not in the democratic world, but certainly in those places where people are in bondage and in slavery in one form or another, politically or otherwise.

They also go on to say that:

Appeals should reflect adjudication that involves an Arbitrator for each party and they

appoint an agreed to Adjudicator/Arbitrator. The Government should not control this appointment.

Now I think that there are several ways that you can make that sort of thing fair, and this is their recommendation. I have some ideas of my own that would be a little different than that. I'll suggest them later.

Harassment must not take place in the work force but to place this in the Occupational Health & Safety Act leading North America with this type of legislation is dangerous if you do not have legally trained occupational health officers. This should be removed from the Act.

Now what are they talking about here, Mr. Speaker? What they are talking about here is the fact that you don't have the harassment feature of problem in the workplace being handled under the proper Act. And by putting it in this Act, as we understand it having read through all of this preamble, it is my understanding that we are setting a precedent in North America in all of the jurisdictions of lawmaking.

Now I don't know if these people have done their homework exactly right or not, but I'm going to give them the benefit of the doubt and say to you that if they are right, setting a dangerous precedent in such an important piece of legislation is something that must certainly be taken a second look at.

If you're going to start setting this kind of precedent in all of the free world, then we'd better be careful that we have it right. And it doesn't look to me like it's in the right area.

So I think the government ought to go back to the drawing board and consult with business and labour and renegotiate this.

The Act and Regulations must encourage employers and employees to work together to make the workplace safe.

I like that and I appreciate that. I think it shows responsibility on the part of the business people.

It also goes on to say:

We encourage our law makers to make this Act less adversarial and more objective towards encouraging safety.

And obviously The Occupational Health and Safety Act is intended exactly for that: to provide safety for our workers and to provide them with a good, healthy atmosphere to work in. And as long as it does that, that's good, but if there's an adversarial mood between the worker and the employer, obviously things won't work as well. And I've worked with a lot of people in my lifetime, Mr. Speaker, and I know that happy workers are much more productive.

Well we've got from the Canadian Federation of

Independent Business also the brief that I read earlier on Bill 55. They have a long explanation of Bill 56 that goes into the same kind of preamble, Mr. Speaker, and makes about the same types of argument. And so having made that argument for Bill No. 56 that perhaps we've jumped a little too fast to allow the business community a chance to negotiate with the government, I'm going to take this opportunity to give the government the chance to go back to the drawing table, and I'll move that we adjourn debate.

Debate adjourned.

Bill No. 58

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Carson that **Bill No. 58 — An Act to amend The Northern Municipalities Act** be now read a second time.

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

Bill No. 61

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Calvert that **Bill No. 61 — An Act to amend The Vital Statistics Act** be now read a second time.

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

Bill No. 62

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Calvert that **Bill No. 62 — An Act to amend The Medical Profession Act, 1981** be now read a second time.

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

Bill No. 38

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Mitchell that **Bill No. 38 — An Act to amend The Saskatchewan Human Rights Code** be now read a second time.

Mr. Muirhead: — Thank you, Mr. Speaker. I won't rise and say that I am surprised that we are debating this here Bill in the House because I knew in 1981 if the NDP won the election, that this Bill would come forward to this House.

I have many remarks to make, Mr. Speaker, and the first one to make is there was no need for this Bill. There was no need whatsoever. And I think many of the members opposite know there was no need. This seems to be just mainly the socialist provinces and socialist people that want these type of Bills. Why have we got such an uproar in Ontario and

Saskatchewan and B.C.? It's the socialist people that want a Bill such as Bill 38.

This year I watched, Mr. Speaker, I watched the inauguration of President Clinton, and I watched it for four hours. I was able to see it on television; I watched it for four hours. Then I went away for two hours and came back and the first thing he was signing, Mr. Speaker, was a Bill to progress with restricting . . . making it legal for homosexuals in the Armed Forces. Why do we get all these in the socialist countries? Why is it happening? Socialist states, socialist provinces, why is it they want to protect the gays and lesbians and homosexuals? Why, Mr. Speaker?

He's having trouble. Mr. Clinton's having a lot of trouble. He thought he was just going to push that right through, but the Armed Forces, some of the leaders and stronger people and the strong people that know how to stand up to Mr. Clinton, it kind of slowed him down. It's not through yet.

Seems to be, Mr. Speaker, that the vast majority of socialist parties throughout the world see a need that homosexuals and lesbians teach our children and preach their thoughts from the pulpit. That seems to be what they all believe.

They're trying to put a smokescreen across this that, oh, we just have to have a Bill 38 just to give them a place to guarantee them a place to sleep and something to eat and a job. I mean, that's not it at all. We're going to get into that through my speech, Mr. Speaker.

The Minister of Justice and all other members of the government, I'm very disappointed with some of their remarks. Especially just the other day, the Minister of Justice made a remark pertaining to the plebiscite petition. He's saying don't sign the petition. He said, it's legal; if you get enough petitioners we'll have to have a vote; it'll cost a lot of money and we won't honour it anyway.

Now what kind of discrimination is that? Who's discriminating who? If that isn't discrimination, I don't know what is. That if thousands of people are against something, and the minister has already said we have a plebiscite and over 50 per cent of this province say we don't want Bill 38, that we'll do it anyway. I've never heard of such arrogance, Mr. Speaker, ever in my 15 years as that.

I just can't believe that a man like the Minister of Justice would say that, especially when the day before he met with 15 ministers from churches in Regina, representing all you people here because there is not one of our seats represented in Regina. So it's 15 different pastors in the minister's office, and they really threw it at him where he was wrong on this Bill, that it wasn't just to give them a place to sleep and give them a job, which I agree with that. We have to love our fellow man and we have to love the gays and the lesbians, but boy, we don't have to love their sin. We can love the people but not the sin.

And here's our Minister of Justice really in trouble with these people, and he was quite nervous about it. And he said, perhaps maybe we'll have to have some amendments, and he kind of settled them down pretty good. But they must have been absolutely just insulted the next day when they heard him say, if there's a vote and a plebiscite and over a hundred thousand people sign it, then we won't pay any attention to you anyway.

I have some notes to put together here, Mr. Speaker, and what I've done . . . it's from the second reading of the Minister of Justice, so what I've done is put his quotes and then my thoughts underneath.

And I'll start off this way, Mr. Speaker. The present Premier introduced this important legislation. Why did — and this is what the minister said — and why did the now Premier refuse to add sexual orientation to the code in the 1970s. Why didn't he do it then? The code is pre-eminent among our laws. It takes precedence over every other provincial law. Now this is a very serious concern, Mr. Speaker. Very important.

Real Women response to NDP questions and answers:

Question, item 10, how will the changes affect marriages and adoptions? The Bill 38 amendment will not change the definition of marriage nor family directly, but could easily have the effect indirectly. Human rights have been described as fundamental law by the Supreme Court of Canada. In the case of conflict with other provincial or federal laws, the Human Rights Code will prevail. The widely publicized efforts of some homosexual couples to be recognized as spouses for the purpose of family and health benefits will only be enhanced by the sexual orientation amendment.

And this government, Mr. Speaker, hasn't even defined what the words sexual orientation even means. Every time you have a Bill come in this House, since I've been here all these years, they always define the meaning of any words that stick out. And no way did they define what the words sexual orientation means or what it means in this Bill.

Fundamental law in Saskatchewan will say that it is unlawful to discriminate on the basis of sexual orientation. To say that only two people of the opposite sex can be married is discrimination. Denying homosexual rights that normal heterosexual people have, who are you to say that a marriage has to be a man and a woman? That is an outdated homophobia concept and denies homosexuals dignity and worth. The government, a court cannot hold that discrimination is unlawful in this province and also hold that marriages can only be between a man and woman, discriminating.

So when you put this Bill through and it's whole the way it is, even if there's amendments goes in, it's going

to be . . . the judges are going to look at it, Mr. Speaker, is how . . . it's discrimination. No matter what you do thereafter, it's going to be discrimination and that's what it's very, very clear about this Bill.

Likewise, with employee health insurance benefits for same-sex partners, the government, a court cannot hold that discrimination is unlawful in this province and also hold that . . .

The Speaker: — Order, order. It now being 5 o'clock, this House stands recessed until 7 p.m. this evening.

The Assembly recessed until 7 p.m.