

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Ms. Haverstock: — Thank you very much, Mr. Speaker. I rise to present a petition on behalf of some 5,000 — actually more than 5,000 — Saskatoon residents who are gravely concerned about the possible effects of certain changes to the health care delivery system that have been proposed by the Saskatoon District Health Board.

The prayer of the petition reads as follows:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to: (1) cause the Minister of Health to examine the proposal to close emergency and cardiac care at City Hospital and to involve the medical and nursing staff at City Hospital in an open review process before any decision is finalized; (2) examine all proposals for alternative approaches with a view to seeking a solution to keep the emergency and cardiac care units open at City Hospital; (3) to delay any renovations at University Hospital needed to accommodate the decision to close emergency and cardiac care at City Hospital until a full consultation with City Hospital nursing staff and medical staff has taken place and their alternative proposals have been examined; (4) to respect the voices of the thousands of taxpayers who have signed this petition, to ask that the new City Hospital financed by their tax dollars will provide safe and efficient health care, including the components of emergency care and cardiac care which it was designed to deliver; (5) to report to the petitioners within three days of the presentation of this petition the decision of the minister with respect to the requests outlined in this petition.

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

I so submit, Mr. Speaker.

INTRODUCTION OF GUESTS

Mr. Koenker: — Mr. Speaker, I'd like to introduce through you and to you to the Assembly this afternoon, guests who have an interest in the Clarence-Steepbank Lake area of the province. We have with us . . . I'm not sure if all these people are present: Gene and Myra Froc from Lumsden, John and Irma Kurtz from Moose Jaw, Allan Steinkey from Saskatoon, Chris Schultz from Nipawin, Lois Barlow-Wilson from Regina, Barrett Halderman from Humboldt and Ken Lozinski from the Department of Environment and Natural Resources here in Regina.

I also want to give special recognition today to Hal

Miller. Hal was responsible for doing the first background work for the Clarence-Steepbank park area and without his contribution we wouldn't be making this area a provincial park. Hal was a resource officer with the Department of Environment and Natural Resources who died tragically in an automobile accident before Christmas.

So I'd like to ask all members of the Assembly today to acknowledge our appreciation for the efforts of these individuals who have helped to create this wilderness park and also to welcome them to our Assembly today.

Hon. Members: Hear, hear!

Ms. Hamilton: — Thank you, Mr. Speaker. I would like to introduce to you and through you to my colleagues, the members of the Assembly, a constituent of mine and a small-business person in Regina Wascana Plains, Jenny Huber, who's seated in your gallery, Mr. Speaker.

And I ask members to welcome her at this her first time in the Legislative Assembly. Thank you.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

International Day for the Elimination of Discrimination

Mrs. Bergman: — Thank you, Mr. Speaker. I would like to recognize International Day for the Elimination of Discrimination.

While this day will officially be commemorated on March 21, many individuals including members of the Liberal caucus will wear bows for the next week to demonstrate support for the elimination of racism in Canada. These bows, Mr. Speaker, contain red, yellow, black, and white ribbons, representing the colours of the human race.

Racism in any form is a detriment to our society and must not be tolerated. Unfortunately there are far too many examples which demonstrate that racism does exist. We must look at this day not as an occasion to celebrate the advances we have made in eliminating racism; instead, we should use this opportunity to reaffirm our commitment to end racial discrimination of all kinds.

Today I am asking all people to make this commitment to improve our society and each of us as individuals.

Some Hon. Members: Hear, hear!

Clarence-Steepbank Provincial Wilderness Park

Mr. Langford: — Thank you, Mr. Speaker. The Minister of Environment and Resources will later this afternoon bring forth the proposal of the

Clarence-Steepbank Lake Provincial Wilderness Park, which is included within the parks amendment Act. Clarence-Steepbank is located in my constituency 150 kilometres north-east of P.A. (Prince Albert). It will become Saskatchewan's fourth provincial wilderness park. I especially want to recognize the work of my constituent, Adam Kosowan, of the department, who designed the park area.

I also did consult with my constituents. The new park will be the smallest of four provincial wilderness parks. This area has not been logged. I visit and talk to cottagers and users from the East Trout and Whiteswan Lakes area . . . requests for protection for that area. The expanded park area is being withdrawn from the Weyerhaeuser FMLA (Forest Management Licence Agreement) agreement. I am proud to see this area protected for the future generations to come.

Some Hon. Members: Hear, hear!

Study on Unwed Mothers

Ms. Lorje: — Thank you, Mr. Speaker. I am pleased to report today that Murphy Brown has been vindicated and Dan Quayle has been proven wrong once again. An extensive 20-year study on unwed mothers and their children, financed by the federal government, has just released its findings. Some of its conclusions will surprise us; some will not.

First and most important, it states that, "Poverty . . . is the big culprit when it comes to the health and welfare of children." Children who are raised in poverty score lower on a whole range of education tests, and of course are therefore likely to remain in poverty and raise their own children in poverty.

Following from that conclusion is the second, the one that Quayle would not like. It is: ". . . a mother's schooling, not her marital status, (that) . . . determines how well her children turn out." An educated mother will raise an educated child who is more likely not to fall into poverty and the welfare cycle. I quote:

. . . lack of education, rather than lack of a husband, that is the crucial factor in determining whether a mother lives in poverty or not.

The conclusion, it seems to me, is clear. If we are serious about breaking the poverty cycle, as we say we are, we start with the child and his or her education and we ensure that it is complete and thorough. Thank you.

Some Hon. Members: Hear, hear!

Sale of Imp-Pak Packaging

Mr. Roy: — Thank you very much, Mr. Speaker, and fellow colleagues. Mr. Speaker, it is my pleasure to rise today and to announce a happy ending and a new beginning for one of the government's economic development projects. Our government has finalized the sale of Imp-Pak Packaging in Swift Current to a

company called UFR, Urban Forest Recyclers.

It is a happy ending because the sale marks a successful conclusion to this government's involvement in this venture. It is a new beginning because this business will once again be up and running and providing new jobs and economic growth in Saskatchewan and Swift Current.

One of our key objectives, Mr. Speaker, was to arrange a sale that didn't entail any further government investment in this particular project. I'm happy to announce that we have met all of those objectives. And while meeting this goal, we also achieved some other very important objectives.

This deal, Mr. Speaker, creates 10 jobs immediately. And during the start-up of the business there will be more jobs. And as the business gets fully established, 45 jobs will be created during the summer and 60 jobs by fall. This is a cash sale, and puts \$8.5 million back into the public coffers.

The Speaker: — Order. The member's time has elapsed.

Some Hon. Members: Hear, hear!

Saskatchewan Labour Force Development Board

Mr. Van Mulligen: — Mr. Speaker, it is easy for like-minded people to cooperate with each other, but it takes open-mindedness and commitment to the common good for those with different agendas to come together.

A demonstration of this commitment occurred yesterday in Regina when the Saskatchewan Labour Force Development Board held its first meeting. The 24-member board consists of representatives from labour, business, education and training organizations, aboriginal, women's, minority, and disadvantaged groups. The board was selected by a steering committee headed by Barb Byers of the Saskatchewan Federation of Labour and Saskatchewan Chamber of Commerce vice-president, Brian Kinder. The board will advise governments on training and labour force development and make recommendations to the Canadian Labour Force Development Board.

I know that all members will join me in recognizing this cooperative effort by those who have not always sat willingly at the same table. Jobs, better training, more cost effectiveness, will surely result.

Some Hon. Members: Hear, hear!

Yorkton Strategic Planning Committee

Mr. Serby: — Thank you very much, Mr. Speaker. This afternoon I wish to take the occasion to recognize and congratulate the strategic planning committee, and its participants in Yorkton, for the work they do in planning, promoting, and developing the city and the area around it.

Through the cooperative efforts of men and women who represent all facets of the community, we have seen, in five short years, growth and accomplishments in the city that are simply outstanding. Twice a year for the past five years, 60 to 80 community leaders come together, set goals, objectives, form task groups and then go to work in subcommittees to work on projects.

Just last week the 1993 economic status and business survey was published and the results are remarkable. Building permits for the second year consecutive were only third to Regina and Saskatoon. The 1993 business survey went on to say that sales in Yorkton exceeded expectations. The economic outlook for 1994 is reasonably optimistic with employment levels remaining the same and increasing by 25 per cent. Thirty-three per cent of the businesses surveyed indicated that they will be doing some type of business expansion in 1994.

1993 was highlighted by bringing a major retail outlet to Yorkton, which is one of the objectives of that committee. The 1994 projects, just to name a couple, include an urban development centre and supporting of the district health board for Yorkton to become a major health care centre.

In closing, Mr. Speaker, the chairman of the community strategic planning committee stated, and I quote: Together we can make Yorkton the promise of the Parkland; let's continue to build on our success.

Community cooperation is their philosophy and I congratulate . . .

The Speaker: — Order. The member's time has elapsed.

Some Hon. Members: Hear, hear!

Optimist Club Support of Youth

Ms. Crofford: — Thank you, Mr. Speaker. I'm sure everybody heard today and would like to join me in congratulating the Holy Cross School choir from Saskatoon for a fantastic performance in our legislature.

The choir, whose director is Jacqueline Ackerman, have come to Regina to participate in the Optimist Club music festival. This three-day event starting today and ending March 18 will bring together 20 choirs to perform.

We know the Optimist Club contributes greatly to our communities, from Canada Day celebrations to various youth programs that they have cooperated and helped with the people in Saskatchewan.

This year's youth program has a slogan we would probably enjoy — just say no — to help with all of us in joining the fight against youth drug usage. The Optimist Club should be commended on its great efforts to help and guide the youth of our communities down brighter roads.

Today's performance demonstrated that these young adults, who are obviously gifted musically, are also fine students, and this is a credit to our school system.

Again, Mr. Speaker, I'd like to thank and congratulate the Optimist Club and the Holy Cross choir.

Some Hon. Members: Hear, hear!

The Speaker: — Before calling the next item on the agenda, I want to draw members' attention to the *Rules and Procedures of the Legislative Assembly* in regards to exhibits. It says in the *Rules and Procedures* that the exhibit of non-parliamentary items on members' desks and in the Chamber should be prohibited.

Now certainly the wearing of items on your clothing is acceptable, but referring to them and stating what the cause or the reason for wearing them makes that an exhibit and is simply not acceptable in the legislature. So I ask members to please refrain from doing so in the future. You may wear them but if you then explain what they are being worn for, you're using it as an exhibit and that is simply not acceptable.

I ask members now to turn to oral questions.

ORAL QUESTIONS

Labour Standards Amendments

Mr. Goohsen: — Thank you, Mr. Speaker. My question is to the Minister of Labour. Mr. Minister, your department recently sent out a four-page colour brochure in an attempt to sell your new Labour Standards Act. Mr. Minister, can you tell us how many of these brochures have been distributed, how they were distributed, who they were sent to, and what is the cost to the Saskatchewan taxpayers for this public relations exercise?

Hon. Mr. Shillington: — Yes, Mr. Speaker, there were approximately 1,500 of those letters went out. I want to say to members opposite, I have spoken to all 1,500 of them. So this wasn't a public relations exercise. This was the fulfilment of a personal undertaking given to these people when we are discussing labour legislation.

What we're attempting to do is to set aside the devastation of the Tory years and build a consensus between business and labour so that they might work together for our mutual benefit. I know the members opposite like to set labour against management, divide and conquer. All I can say is that's not our approach, that's not what we've done, and we think we've achieved a reasonable degree of success here.

Some Hon. Members: Hear, hear!

Mr. Goohsen: — Thank you, Mr. Speaker. Mr. Minister, the brochure you sent out does not tell both sides of the story. You do not tell the employees that some jobs will be lost as a result of these changes, and

you provide almost no detail to employers about the cost of these changes to Saskatchewan businesses.

Mr. Minister, why aren't you telling both sides of the story? Why aren't you telling Saskatchewan people that in addition to the benefits outlined in your brochure, this program will also have real costs in terms of job losses and financial cost to Saskatchewan businesses?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — Well unlike Liberals and Conservatives opposite who seem to have an allergic reaction to anything which sounds like labour legislation, we think labour legislation is a part, an essential part, of the economic restructuring which is taking place in this province.

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — I know you people may be wedded firmly to the 17th century — I wish you the best of luck in trying to maintain it — but this government is getting this province ready for the 21st century, and progressive labour legislation's an essential part of that.

We did send to the business community and to everyone else we met with, a costing of these proposals. That is certainly not something that the Conservatives indulged in when they were in office. None of their proposals were ever costed and you never bothered to tell anyone what you were doing.

So I say to members opposite, we are seeking to build a consensus; we think we've had some success. I know you're allergic to cooperation. You want to set one group against another . . .

The Speaker: — Order, order. Next question.

Some Hon. Members: Hear, hear!

Mr. Goohsen: — Thank you, Mr. Speaker. Minister, I won't comment on your rhetoric; I'll let the public judge that for themselves.

Mr. Minister, many business people I have spoken to have expressed concerns about the Price Waterhouse study. They would like to see exactly how this study was conducted, what questions were asked, and how some of the very sweeping conclusions were drawn.

Mr. Minister, by Price Waterhouse's own admission, this study is inconclusive. They admit that no questions were asked about several of the ideas dealt with in your legislation such as additional work hours. And in some areas the results were extremely inconclusive, like the estimates that the extension of notice provisions will cost businesses anywhere between 400,000 and \$4 million. Quite a stretch, Mr. Minister. Hardly an accurate estimate when you have such a large range.

Mr. Minister, will you clear up some of this confusion

today by releasing the entire Price Waterhouse study, including the survey questions and the results, and table them here?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — I want to say to both Liberals and Conservatives opposite, that we are attempting to develop a different approach than you are. One of the things we are doing, which was not part of your . . . is that we have provided information up front.

I want to say to members opposite that I'm a bit surprised that Liberals and Conservatives . . . I guess I shouldn't be. If you're prepared to knee-jerk vote against the legislation without ever having seen it, I guess you're probably prepared to reject Mr. Rosten's analysis of this without ever having understood it, and it seems without ever having read it.

But if the Conservative caucus — I say this, Mr. Speaker — if the Conservative caucus and the Liberal caucus want Mr. Rosten to appear and assist them in understanding what we're doing, I'd think we'd do that and I think we'd take that very seriously. So if you want to hear, I'll make him available to you.

Some Hon. Members: Hear, hear!

Mr. Goohsen: — Thank you, Mr. Speaker. Mr. Minister, first of all I'm not too sure that the Liberals will appreciate you suggesting that I speak on their behalf, but I'll let them comment on that for themselves.

Mr. Minister, it seems that the Price Waterhouse study did not deal with the most important issue, namely how many jobs will be lost and how many potential new jobs will not be created as a result of this legislation. Or if they did study this issue, the results were never released.

Mr. Minister, the opposition feels that there should be a free and open debate among members of this legislature, employers and employees, about this important piece of legislation, and we would welcome meeting with the people that you mentioned before. Now these things cannot happen, Mr. Minister, however, unless we all have access to the same information — the information that you have access to.

Mr. Minister, will you release the Price Waterhouse study today so that an open and informed debate on this Bill can take place? Will you table that in the legislature and will you also table any other studies or information or opinions, written or suggested, that you have access to? We'd appreciate having all of the information and the interview. Would you do that, Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — I guess one shouldn't be surprised that the Liberals and Conservatives opposite vote against the Bill without ever having seen it. One

shouldn't be surprised that you leap to conclusions about the cost of it without ever having digested the study which was done.

But I say to members opposite, now that you've had the legislation there's going to be a full and free debate in this legislature and we welcome your comments on it. We hope they are a bit better considered than your reaction to first reading when you voted against it without ever having seen it. We hope your next reaction is a little more thoughtful than your last.

Some Hon. Members: Hear, hear!

Victims of Violence Legislation

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, members of the official opposition have indicated their full support for the intent of legislation brought into this Assembly to protect the victims of violence, domestic violence. Mr. Speaker, we're all aware of the fact that any violent crime must be dealt with and dealt with fairly and as fairly as it can be under the legal system under which society allows it. But, Mr. Speaker, we have a very sincere concern with the legislation that was presently introduced or reintroduced the other day in this Assembly.

Members of the legal community, constitutional experts, and even those involved in the assistance of abused women, have publicly voiced concern regarding the vulnerability of the legislation to court challenges based on the Charter of Rights and Freedoms.

My question to the Minister of Justice: Mr. Minister, the intent of the Bill, I believe, is honourable but will it stand a court challenge? Have you done the necessary homework? Have you asked your department to determine whether or not this legislation is within the bounds of the Charter of Rights and Freedoms?

Hon. Mr. Mitchell: — Well, Mr. Speaker, I thank the member for that important question. The matter of the constitutionality of a Bill like this is of utmost concern to the government and to the Department of Justice. We spent a long time with our top people considering the constitutional position of the provisions in this Bill, and the advice from our top officials in the department is that it is constitutional. It was drafted in such a way as to clearly be acceptable from a constitutional point of view.

Some Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker. Mr. Minister, I appreciate the fact that you've taken the time to review the legislation with your officials. However, Mr. Minister, there are a number of men and women in the legal field who have the opinion that it may not stand.

Doug Schmeiser, a University of Saskatchewan law professor and constitutional expert, says that, and I quote: there are great concerns. I think that there are all kinds of potential attacks. He suggests that the law

could violate the right to life and liberty, right to presumption of innocence until a fair hearing is held, and the right to a lawyer without delay. As you know, Mr. Minister, these are fairly fundamental premisses on which our society is based.

Now, Mr. Minister, you may say you are confident that your advisers have filled you in on the law. It would be a profound shame if you have raised the hopes of victims of violence and at the end of the day they are proven wrong.

Mr. Minister, will you table the opinions, the legal opinions, that you have received regarding this legislation?

Hon. Mr. Mitchell: — I think we can get into this in committee, and I think that it's very important that I be able to tell the member what the legal advice is that I have obtained with respect to the constitutionality of this Bill. We are aware, of course, of Professor Schmeiser's views and they were not unexpected. Without adding anything to that remark, though, I want to say this: the government believes that from a policy point of view this Bill is a very, very important thing for us to do. We want to do it because it is an important thing to do. We believe it to be constitutionally acceptable and we simply have to deal with any challenges to its constitutionality when those challenges are raised in court.

Some Hon. Members: Hear, hear!

Mr. Toth: — Another question to the minister. Mr. Minister, I might add that no one disagrees with you on that fact. However there is another concern, that the provincially appointed justices of the peace may be infringing on an area of law that only federally appointed judges, such as Court of Queen's Bench justices, can deal with. There seems to be widespread agreement that this new law may be vulnerable to this point.

Mr. Minister, I say again, the intent is honourable and I fully support your efforts, but have you set yourself up, and the victims of domestic violence, for a fall? Would you give some real level of assurances and comfort that you have ensured the constitutionality of this law?

Hon. Mr. Mitchell: — I believe I can give the member that comfort right now by saying that this question of the jurisdiction of justices of the peace to make the kind of orders that are contemplated in this Bill was considered by the Department in depth at the time that the provisions were being drafted, and they are satisfied and I'm satisfied on the basis of their advice, that this is a constitutional and appropriate thing to do. But we can get into that in much more detail during our committee discussion of the Bill.

Some Hon. Members: Hear, hear!

Changes to Saskatoon City Hospital

Ms. Haverstock: — Thank you, Mr. Speaker. My question is for the Minister of Health. The 5,372

signatures I laid before this Assembly this afternoon, come from people who place a great deal of importance on the opinions of doctors and nurses in our hospitals.

Madam Minister, how much importance does your department and the wellness model place on the expertise and experience on the front-line health care delivery professionals in our hospitals?

Hon. Ms. Simard: — Thank you very much, Mr. Speaker. I thank the member opposite for her question. Obviously she knows that we do put a lot of importance into the need for consultation and cooperation with health professionals in health care reform. We have around our round table, on the Rural Health Advisory Committee, on many of our committees that are developing health reform, we have nurses and doctors who are represented, and other health care professionals.

The Saskatoon Health Board consults with staff and physicians on an ongoing basis and there is very substantial consultation that takes place. And people work through solutions cooperatively.

Thank you, Mr. Speaker.

Ms. Haverstock: — Thank you, Mr. Speaker. Madam Minister, the front-line staff, the doctors and nurses at City Hospital, are telling us that the closure of the cardiac and emergency care units at that hospital constitute a danger to the safety of other patients throughout that facility. And I quote from a letter written by an RN (registered nurse) at City Hospital about patients who may suffer a heart attack in the hospital:

This group of patients also requires the services of Internal Medical Specialists. These physicians get . . . 80% of their referrals through the Emergency department. If . . . Emergency . . . (closes) we risk losing valuable and knowledgeable physicians from Saskatoon (City Hospital and from the city of Saskatoon itself).

Madam Minister, can you tell us whether your department officials were involved in any objective analysis as to whether the closure of the emergency care and coronary care units will constitute a threat to the safety of all patients at the hospital?

Hon. Ms. Simard: — Mr. Speaker, the member opposite knows full well that the Saskatoon Health Board makes the decisions as to where the services are going to be located in Saskatoon. And I have every confidence in Mr. Cliff Wright and the other members of the Saskatoon Health Board that they will make the appropriate decision.

I have also been advised by the Saskatoon Health Board that they have done a very extensive audit reviewing emergency services in Saskatoon before determining how the service consolidation will take place.

It is my understanding that the audit findings indicate that there isn't a need for three emergency units in Saskatoon and that there is a need for two. It's also my understanding that the Saskatoon Health Board will be using staff and physicians to form the emergency services unit. They will be consulting with them and working with them and they will — the staff and physicians — will be planning the services in that regard. Thank you.

Some Hon. Members: Hear, hear!

Ms. Haverstock: — Thank you, Mr. Speaker. Madam Minister, I did not solicit the 5,372 signatures that I laid before this Assembly. Those signatures came from hundreds of nursing and medical staff at City Hospital in Saskatoon, from patients, from families, and from taxpayers of Saskatchewan.

If the process were working, the nurses and doctors at City Hospital would feel that their legitimate arguments, not emotional reactions, Madam Minister, but legitimate arguments, were being listened to. And unlike what you've said today, the Saskatoon District Health Board has its plan in place but has not acknowledged the request for a meeting with the concerned City Hospital staff.

Will you participate in ensuring that there is an objective review of their concerns so that the potential costs — and these costs being both human and financial — in closing emergency and cardiac care at City Hospital can be addressed?

Hon. Ms. Simard: — I will certainly, Mr. Speaker, pass on the concerns of the member opposite to the chair of the Saskatoon Health Board. If the allegations that she has made against the Saskatoon Health Board are accurate, I will bring that to the attention of the Saskatoon Health Board.

My information is there has been very extensive consultation. In the final analysis, however, Mr. Speaker, the Saskatoon Health Board will make the best decision as to where emergency services will be located. And I have every confidence in Mr. Cliff Wright and the Saskatoon Health Board that they will make the appropriate decision.

Some Hon. Members: Hear, hear!

Ms. Haverstock: — Thank you, Mr. Speaker. Madam Minister, the taxpayers and the health care professionals on this particular petition are telling us that there are no legitimate or justifiable financial arguments for the closure decision. In fact, what they're suggesting is if they were able to meet with the health board in Saskatoon that they could show ways, substantial ways, of being able to save money.

Another quote, Madam Minister, from a health care professional:

The new . . . (cardiac care) and Emergency . . . were designed and built with substantial staff

and physician input (at City Hospital).

If the Health Board is allowed to go ahead with its proposed changes, the area that houses the present (cardiac) Care Unit is . . . (going) to be left (entirely) vacant. And the hundreds (upon hundreds) of thousands of dollars (that have been) spent on equipment (all financed by the people of Saskatchewan and charitable contributions) will be wasted.

Madam Minister, what responsibility do you assume to see that the concerns of these people are fully investigated before decisions are going to be made that may in fact cost the taxpayers more money if they proceed?

Hon. Ms. Simard: — As I indicated earlier, Mr. Speaker, I will bring the concerns of the member opposite to the attention of the chair of the Saskatoon Health Board, and we will ask him to look into her concerns.

The fact is however, as I indicated in my earlier response, these decisions will be made by the Saskatoon Health Board. I also have every confidence . . . I know that Mr. Cliff Wright is very proud of the City Hospital and he takes a certain pride in that facility. And I know that whatever decision the Saskatoon Health Board makes will be a decision that is going to be for the benefit of Saskatoon and district, and it will be the appropriate health care decision.

Some Hon. Members: Hear, hear!

Melfort Pipeline Project

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the minister responsible for Sask Water. Mr. Minister, your government likes to talk about the due diligence that takes place before any project is undertaken in this province. If that's the case, Mr. Minister, why in the world is the Melfort pipeline project in such a complete mess? Where was the due diligence when you decided to award a major portion of the contract to an Alberta firm, A K Construction, over a Regina firm at an additional retendering cost of \$187,000? Where was the due diligence when A K Construction went bankrupt, leaving unpaid bills in the Melfort area of about \$700,000?

Mr. Minister, could you explain the due diligence that went into awarding this contract to a company that obviously was incapable of completing the work properly and appeared to be on the verge of bankruptcy, even before the contract was awarded?

Some Hon. Members: Hear, hear!

Hon. Mr. Renaud: — Thank you to the member opposite. Mr. Speaker, the portion of the pipeline that the member refers to is the Melfort to Weldon pipeline which was done by A and K Construction. It is a completed portion of the pipeline. The November 1992 estimate on that section of the pipeline, Mr.

Speaker, was \$2.105 million. The final projected cost of that section is \$1.8 million, Mr. Speaker. The pipeline is in good condition; the job was good.

I want to tell the member opposite that the company did go bankrupt. There is a bond in place to protect the local businesses. And I as a businessman am concerned with local businesses. But there is a bond in place. And Sask Water also has a hold-back so that all the local businesses in the Melfort area are protected, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Minister, you forgot one important consideration — a pipeline is supposed to transport water, not leak water, Mr. Minister.

Mr. Minister, I have another document here which speaks to the tremendous amount of due diligence which your government put into this project. It's a copy of the receivership notice that was filed on A K Construction following their bankruptcy. It says that the receiver manager, W.W. McCullough and Associates, is not satisfied that all bonding documents were properly completed by A K Construction.

Mr. Minister, where was the due diligence in making sure that this contractor had completed all of the bonding requirements and was capable of completing the work? And how did you possibly award such a major contract to a company that obviously could not meet those requirements?

Some Hon. Members: Hear, hear!

Hon. Mr. Renaud: — First of all, Mr. Speaker, the letter that was received by the receiver was in error. Actually the bond is in place and the bond is good and the bond will protect the local businesses of the Melfort community.

Some Hon. Members: Hear, hear!

Hon. Mr. Renaud: — Certainly, Mr. Speaker, there are leaks on the line and I do not deny that. But in the case of Rafferty, for instance, we don't know if there's a leak there and we may never know if there's a leak there. And that was only a hundred million dollars over budget, Mr. Speaker.

So I want to tell the member opposite that yes, the line has leaks, the leaks will be fixed, and the Melfort region will be receiving water shortly.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Minister, maybe you should go down to Rafferty these days and see that the dam is holding water and your pipeline is not holding water, Mr. Minister.

A K Construction left about \$700,000 in unpaid bills from Saskatchewan suppliers, and the receiver has already identified about \$2 million in additional

debts. The company apparently was not properly bonded as the documents by the receiver suggests, and the assets seized by the receiver are nowhere near enough to cover these debts, Mr. Minister.

Mr. Minister, will these unpaid bills be paid? When and by whom, Mr. Minister? Mr. Minister, who is going to end up footing the bill for your gross incompetence and negligence?

Some Hon. Members: Hear, hear!

Hon. Mr. Renaud: — Thank you, Mr. Speaker. Firstly, I want to assure the member opposite that there is a bond in place. The bond is \$695,000. There is a \$177,000 hold-back by Sask Water. And unlike what the members in the Liberal Party and the members in the Conservative Party are saying, Mr. Speaker, the local businesses are owed \$47,000, not the \$700,000 that they've been spreading all over the community of Melfort and area. The bond is in place, Mr. Speaker, and the local businesses will be covered for the bills that are owed to them.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Minister, the receiver says, yes there is a bond in place but the bond is not adequate to deal with the problem, Mr. Minister. That's what the receiver, the person put in charge of completing the transaction, has said about your project, Mr. Minister.

Mr. Minister, the old mayor of Melfort personally gave the assurance to the city council that this wouldn't happen yet the contractor went bankrupt. The contractor left hundreds of thousands in unpaid bills. The contractor was not properly bonded. The contractor did not complete the work. The part that is completed is leaking like a sieve, Mr. Minister.

Mr. Minister, will you hold an independent review of this entire fiasco so we can see how many mistakes were made and to ensure, Mr. Minister, that it'll never happen again?

Some Hon. Members: Hear, hear!

Hon. Mr. Renaud: — Thank you, Mr. Speaker. I want to tell the member again, I don't think he understands that there is a bond in place — a \$695,000 bond. There is a hold-back at Sask Water of \$177,000. The businesses in the Melfort area will be covered.

There were two leaks on the A & K Construction line, Mr. Speaker, two leaks. And we don't know about Rafferty yet. But two leaks on the A & K. What the members opposite, Mr. Speaker, are trying to do is play politics on the backs of the local people in the Melfort district. And I think they should apologize for that.

Some Hon. Members: Hear, hear!

MINISTERIAL STATEMENTS

Tabling of the Price Waterhouse Report

Hon. Mr. Shillington: — Thank you very much, Mr. Speaker. The government has made a decision. I'm pleased to announce today the government's made a decision that we will table the full report of the Price Waterhouse. I want to say that there was some doubt as to whether or not this was necessary. We've made copies available to the media, to spokespersons for the business community. And if we had known the member opposite was so thirsty for knowledge, all you had to do was come around the office and ask for it. However, Mr. Speaker, they do want it so I'll hereby table it.

In taking my seat, I just want to point out that we hope when you get this, you won't repeat the mistake you made on first reading. We hope this time you'll read it before you make . . .

Some Hon. Members: Hear, hear!

The Speaker: — Before we go on to the next item, I think the minister knows full well that that was not a ministerial statement. It was totally out of order, his comments, and had nothing to do with the ministerial statement. The ministerial statement is to . . . Order. Order. Order. Order. Order. Order, order.

(1415)

INTRODUCTION OF BILLS

Bill No. 36 — An Act to amend The Environmental Management and Protection Act

Hon. Mr. Wiens: — Mr. Speaker, I move that a Bill to amend The Environmental Management and Protection Act be now introduced and read a first time.

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

Bill No. 37 — An Act to amend The State of the Environment Report Act

Hon. Mr. Wiens: — Mr. Speaker, I move that a Bill to amend The State of the Environment Report Act be now introduced and read a first time.

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

Bill No. 38 — An Act to amend The Parks Act

Hon. Mr. Wiens: — Mr. Speaker, I move that a Bill to amend The Parks Act be now introduced and read a first time.

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

ORDERS OF THE DAY

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 33 — An Act to amend The Alcohol and Gaming Regulation Act

Hon. Mr. Lautermilch: — Thank you very much, Mr. Speaker. I am pleased today to move second reading of An Act to amend The Alcohol and Gaming Regulation Act.

Mr. Speaker, this Act governs the operations of the Saskatchewan Liquor and Gaming Authority and regulates these industries in our province. The history of liquor and gaming regulation in Saskatchewan has followed a steady course. It has been subject to societal pressures of public demanding access and the same public demanding controls to that access. It is a history, Mr. Speaker, that merits mention so that we may understand the road we have travelled from prohibition to public access.

Mr. Speaker, in the early 1920s Saskatchewan people began to realize that prohibition did not effectively control the sale and the consumption of beverage alcohol. While it had effectively prevented the legal sale of alcohol, bootlegging and rum-running across the borders had replaced those sales. In 1925, Saskatchewan ended prohibition.

Mr. Speaker, the people of the province decided that they would rather have a controlled and regulated industry than one which operated outside the law. They realized that the demand for alcohol was not lessened by prohibition. They realized that prohibition didn't work.

Over the past 65 years there has been a steady modernization of liquor laws in our province. In 1935 men's beer parlours were permitted; in 1959, Mr. Speaker, for the first time women were allowed to drink in public. Hours have been extended, and, Mr. Speaker, the minimum age was lowered in 1969 and then raised in 1976. In 1983 liquor advertising was permitted. And in 1988 Sunday and religious holiday openings were permitted.

Mr. Speaker, these changes have each been introduced to meet the demand by consumers for access and have been met with responsible use by the public and the industry at large.

Today we face a similar modernization of gaming regulation. Its history is not as long nor as colourful. In 1969 the prohibition on gaming was lifted by the federal Liberal government, and for the first time year-round racetrack betting was legalized. The 1970s saw gaming expansion in the form of casinos and lotteries. And by the mid-1980s, small-scale church and community bingos were competing with private sector bingo gambling halls.

Mr. Speaker, under this administration we have made some charities . . . or some changes. This government is committed to reform. Charities have been given an increased role in bingo gaming, VLTs (video lottery terminal) have been introduced, and for the first time a

comprehensive social impact program has been developed.

As well, Saskatchewan's regulatory bodies have been enhanced with the creation of the new Liquor and Gaming Authority created last year by this Assembly. The creation of this Authority has benefited the hospitality industry, the consumers, and the taxpayer, Mr. Speaker. It has created a single point of entry for small business and it has permitted easier access to government services. As well, it has permitted better coordination of regulatory controls. It has also provided for direct administrative savings by amalgamating three corporations into one.

Mr. Speaker, it is in this spirit that this Bill introduces further changes to benefit the hospitality industry, consumers, and the taxpayer. Taxpayers will benefit from this Bill by the amalgamation of the Saskatchewan Horse Racing Commission with the Liquor and Gaming Authority. Again, Mr. Speaker, we show a desire for administrative savings. We will be creating a single point of entry, and the need for further coordination of regulation and recognition of common purposes have led to this move.

Mr. Speaker, this Bill will also strengthen the integrity of horse racing activities in our province. We will be introducing a separate body to hear appeals and decisions and there will be new conflict of interest provisions.

Mr. Speaker, this Bill will also benefit the consumer. Consumers will benefit as a result of a streamlined process for regulation. Central tenets of liquor and gaming regulation will be maintained. And this will include maintaining a statutory minimum age, enhancing control and enforcement procedures, and introducing increased consumer protection.

Mr. Speaker, changes to this Bill will permit us to introduce a gaming consumer protection package that will include standardization of key elements affecting both liquor and gaming consumers. It will provide for increased access to information and will strengthen the integrity of this common industry.

Mr. Speaker, there are some 40,000 people in Saskatchewan who depend on the strength of the hospitality industry and tourism in Saskatchewan for their jobs. Mr. Speaker, 40,000 people. And these are jobs in all numbers of businesses from bars and bingo halls to casinos and outfitter camps. As diverse as these jobs may be, they have one thing in common. And that is that they depend on the ability of Saskatchewan small business to succeed.

Mr. Speaker, small business will benefit from this Bill as a result of modernized and streamlined regulation. This Bill provides us with an opportunity to reform many of Saskatchewan's outdated and confusing rules and regulations. It will provide us with an opportunity to build on our strengths in the industry. Mr. Speaker, this Bill is the next step in this government's plan to build on our economic strengths as a province through reasoned and targeted support to small

business and the hospitality sector in particular.

As you know, Saskatchewan's hospitality industry is one built on the food services and beverage industry. It's an industry that depends on hospitality, that depends on quality products, on innovation and reasonable and modern regulation. It is one built on small business, and this government recognizes that. And that is why I will be sponsoring a discussion paper on industry reform this spring that will serve as the basis for industry renewal and re-regulation.

It will provide us with an opportunity to bring together the various players of Saskatchewan's growing hospitality industry to identify a common approach to responsibly managing this sector. This Act will serve to build on other economic development in small-business reforms introduced by this government, that have helped to restore strength to the hospitality industry — strength that had led, Mr. Speaker, to recovery.

Mr. Speaker, I'm sure a sure sign of this economic recovery is the return to consumer confidence and to consumer spending. In fact, *Sask Trends Monitor* reported that 1993 was a record year for food and beverage sales in Saskatchewan. For the first time, more than a half a billion dollars, \$518 million, was spent by consumers in our restaurants and bars. And this is an increase of nearly 9 per cent in receipts and an 8 per cent increase in volume over the previous year.

And this growth has been, in part, because of our commitment, because of the government's commitment, to eliminate the PST (provincial sales tax) on restaurant meals and that puts roughly \$66 million into this economy every year; to cut the Saskatchewan small business tax and put another \$20 million into our economy; to introduce new forms of entertainment such as the video lottery terminals which will put over \$15 million this year into the hospitality industry in Saskatchewan, Mr. Speaker.

Mr. Speaker, this Bill will continue our plan for supporting Saskatchewan small business because this legislation builds on success. In introducing this Bill, our motivations are many. We want to modernize the flexibility to respond to new and changing consumer demands in a reasoned and in a responsible manner. We will achieve administrative savings through further streamlining of government's operations.

And we will, with this legislation, be recognizing joint needs of Saskatchewan industry, supported by common interest in liquor and gaming regulation. And, Mr. Speaker, we will be meeting the demands for a liquor and gaming industry that is fairly regulated and that is tightly controlled.

All of these motivations, Mr. Speaker — modernization, fairer and more responsible regulation, administrative savings, and support for small business — are recognized in this Bill. And that is why I'm pleased to move second reading of this Bill, An Act to amend The Alcohol and Gaming Regulation

Act, 1994. Thank you.

Some Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I listened fairly closely to the minister's address as he was introducing his legislation, Bill No. 33, The Alcohol and Gaming Regulation Amendment Act, and it seemed to me the minister took a long time to go through a long litany of change regarding our society and how we've moved from a society that took a fairly firm look at drinking and gambling and alcohol abuse, to a society that has become more open and acceptable. And I found it almost interesting that the minister would use this as a proponent to justify where the government is going today.

I think, Mr. Minister, that just because we've had changes in the past, the changes in the past haven't necessarily been beneficial and good for our society. I don't know if we can just use those changes to justify some of the effects that we will face as we expand the role of gambling in our province. However I can understand where the minister is coming from when he suggests his government is looking for more money. And I believe the minister did suggest that we need more betting to take place, and I can see why they're looking at changing legislation.

However, Mr. Minister, I think there are going to be some serious side-effects, and I trust that the government and the minister have taken the time to review some of the side-effects. Sure, it's going to be nice to have money coming into the provincial coffers through gambling, through betting at the tracks, through drinking, and through the hospitality industry. And certainly, Mr. Speaker, we're not out here to criticize the hospitality industry. They're doing the best they can to try and justify the . . . or generate the revenue they need to justify their existence.

(1430)

However it would seem to me that one thing we continually neglect and have turned our backs on, and that's the moral responsibilities we have, and what type of leadership we want, what type of example we want to set for our young people. Or not even just for our young people but for our civilization in general, Mr. Speaker, where are we heading? What road are we heading down?

It would seem to me, Mr. Speaker, that a number of the arguments the minister made would seem to indicate that no, we're not really that interested any more. Money is the bottom line and that's the name of the game. And we forget about the social and moral effects that these changes are going to have on our society.

Mr. Speaker, there are certainly a number of other areas that we could get into. But I think for the sake of taking further review of the legislation, looking at it in more depth and taking the time to come up with some of the other arguments and allowing my colleague, the member responsible, to review the Act, I move to

adjourn debate.

Debate adjourned.

Bill No. 34 — An Act to amend The Animal Protection Act

Hon. Mr. Cunningham: — Thank you, Mr. Speaker. At the end of my remarks I'll move second reading of The Animal Protection Amendment Act, 1994.

Mr. Speaker, the existing Animal Protection Act provides authority for owners of cattle, horses, pigs, and poultry to destroy a dog in the act of attacking these protected animals. This Act simplifies the legal processes of recovering damages from a dog owner and provides a procedure for the destruction of a dog where the dog attacks a protected animal away from the dog owner's property.

Mr. Speaker, this protection extends only to those animals listed in the Act, those animals which I've just mentioned. Sheep producers were provided with similar protection against dog attacks by The Sheep Protection and Dog Licensing Act, but the Act was repealed in 1988. Without the protection of the Act, sheep producers are required to prove that the owner of a dog knew the animal was a threat before obtaining compensation for livestock killed by the dog or requiring the destruction of the dog.

This is a difficult point to prove in court, and puts sheep producers and producers of any other animals not listed in The Animal Protection Act at a significant legal disadvantage.

The Animal Protection Amendment Act, 1994 corrects this oversight by extending the protection under the Act to all farm animals, defined as any animal raised in captivity for the purpose of producing animal products. This includes not just sheep, but also goats, bison, ostriches, and any other animal being raised for agricultural purposes in Saskatchewan. The amended Act provides the Minister of Agriculture and Food with the Authority to designate which animals do not require protection under the Act.

Mr. Speaker, livestock production in Saskatchewan has been diversifying at a rapid rate. Extending the protection of the Act to all farm animals allows the livestock producer to defend his animals from dog attacks, regardless of the species of animals being raised.

Mr. Speaker, The Animal Protection Amendment Act, 1994 also increases the fines and penalties provided for in the original Act, so as to provide a practical deterrent against violations of the Act. Thus the fine for failing to carry out a court order to destroy a dog is increased from \$20 to \$100. The minimum fine for committing an offence under the Act has been increased from \$25 to \$100, and the maximum fine has been increased from \$500 to \$1,000.

Mr. Speaker, when amended, The Animal Protection Act will serve the needs of Saskatchewan's livestock

producers for many years to come. All livestock producers will be treated equally under the Act, whether they raise traditional livestock such as cattle, horses, sheep, and pigs, or more recent additions to our provincial livestock industry. And as Saskatchewan's livestock herds continue to expand and the diversify, the protection of the Act will automatically be extended to new species unless excluded by the Minister of Agriculture and Food.

Therefore, Mr. Speaker, I ask the members of the Assembly to support this Act, and I move second reading of Bill No. 34, The Animal Protection Amendment Act, 1994.

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, at first glance this piece of legislation seems to be harmless enough. I'm sure that there are many men and women in the agricultural field that are listening very intently and will be following the passage of this Bill. And it seems to me that we should take a bit more time and review it a little more closely before we get into the real debate on the Bill. And therefore at this time I move adjournment of debate.

Debate adjourned.

Bill No. 35 — An Act respecting Agrologists

Hon. Mr. Cunningham: — Thank you, Mr. Speaker. At the end of my remarks I'll move second reading of The Agrologists Act, 1994.

Mr. Speaker, there are more than 1,100 practising agrologists in Saskatchewan, registered with the Saskatchewan Institute of Agrologists, or SIA. Currently they are regulated by The Agrologists Act passed in 1946, but that Act is outdated. At the request of the Saskatchewan Institute of Agrologists, the Government of Saskatchewan has prepared this new Act which will conform with today's standards of professions' legislation.

Mr. Speaker, passage of this Act will accomplish a number of objectives. It will repeal the old Agrologists Act. It will make legislation governing the profession of agrology consistent with other professions' legislation. The new Act will clarify the roles of the SIA council, the professional conduct committee, and the discipline committee, giving them the same right, responsibility, and structure as similar bodies in other professional organizations.

As part of this restructuring, a member of council will be appointed from the public by the Lieutenant Governor in Council, and this member will sit on the council's discipline committee. Also, the dean of the College of Agriculture and deputy minister of Agriculture and Food will be designated ex officio members of the SIA council.

The new Act will also delete those administrative provisions of the old Agrologists Act that should have been incorporated as by-laws of the institute. This will allow the SIA to govern itself and to amend its rules to reflect changing circumstances within the agrology

profession, without having to resort to the time-consuming process of lobbying the government to amend its legislation.

In keeping with the institute's new power, the Authority of the Minister of Agriculture and Food to review decisions of the discipline committee has been deleted from the new legislation. In its place is a mechanism to appeal a discipline committee decision to the courts.

Mr. Speaker, for its time The Agrologists Act was a fine piece of legislation, as evidenced by its 48-year life span. In drafting the new Act, this government has retained those aspects of the old legislation which have served the agrologist profession so well.

The new Act continues to provide title and scope of practice protection. Title protection allows only members of the Saskatchewan Institute of Agrologists to use the title of agrologist.

Scope of practice protection allows only truly recognized agrologists to practise agrology, which is defined in the Act as to engage for hire, gain, or the hope of reward in investigating, experimenting with, teaching, or advertising on scientific principles and practices of agriculture.

This definition is consistent with that contained in the old Act. The original Act recognized that farmers and farm suppliers regularly trade information among themselves and did not want to prevent this practice, and these exemptions from the scope of practice are retained in the new legislation.

Those exemptions are (1) a person carrying on the business of farming; (2) an undergraduate student working under the supervision of a practising member of SIA; (3) a person or his agent who gives advice based on information provided by a member regarding the quality or use of a product or service that he or she offers for sale; and (4) an agricultural technician or technologist who works under the supervision of a practising agrologist.

Mr. Speaker, there are two more important points to mention before moving second reading. First, in an effort to standardize terminology, the Act changes the title of agrologist in training to an articling agrologist. Second, fines for infractions of the Act have been increased so they are consistent with the levels in other professions' legislation.

Mr. Speaker, this legislation was developed in consultation and with full support of the Saskatchewan Institute of Agrologists. They will serve the profession well for many years to come. Therefore I ask the members of this Assembly to support this Act and I move second reading of Bill 35, The Agrologists Act, 1994.

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I realize and my colleagues realize that there are a number of agrologists across the province of Saskatchewan, men and women who'd be interested

in some changes in bringing their association up to date and possibly into the real world.

I was trying to follow fairly closely the comments and the arguments the minister was making regarding changes or the reasoning for this Bill and the fact of updating The Agrologists Act.

A question just came to me the other day regarding agrologists and their role in society, and I think as we get into the further discussion and debate, that's a question that we can raise at another time regarding agrologists, the role and the necessity for such an Act that creates another association, another bureaucracy that people have to deal with.

And I know that many agrologists actually do quite a commendable job in dealing with men and women across the province, certainly in the agricultural field. Therefore to allow further research into the legislation before we can continue on in second readings and committee, I move adjournment of debate.

Debate adjourned.

COMMITTEE OF THE WHOLE

Bill No. 19 — An Act to amend The Wascana Centre Act

The Chair: — At this point I would like to ask the minister to introduce the officials who have joined us here today.

Hon. Mr. Tchorzewski: — Thank you, Mr. Chairman. I indeed would like to introduce the officials who are with me. I have on my right, John Edwards who is the director of municipal policy and legislative services branch in the Department of Municipal Government. And on my left, Kathy Dermody who is the director of administration in the Department of Provincial Secretary.

Clause 1

Mr. Neudorf: — Thank you very much, Mr. Chairman, Mr. Minister, and officials. Welcome here. I don't think that you will be here very long but the minister, prior to your introduction of me, Mr. Chairman, asked me whether I was the critic or not. And yes, indeed I am. And I'm going to reciprocate by asking him probably one of the most difficult questions he'll have in this Act. And that is, are you the minister; are you the real thing? And the reason I ask that, Mr. Minister, is because I noticed that because during the second reading speech it was not you that made any comments, but rather it was the . . . indeed it was the Government House Leader that read the speech during the second reading. So if you could indicate that.

Hon. Mr. Tchorzewski: — Well fortunately, Mr. Chairman, we're a cabinet of many diverse talents and when the minister is not able to be here, we should not hold up proceedings in the House. So the Minister of Economic Development did second reading on my

behalf because I believe I was in Ottawa at that time and meeting with Mr. Masse on some things of significant importance to Saskatchewan. I am the minister.

Mr. Neudorf: — No doubt individuals of many talents. I believe, Mr. Chairman, we have a different expression for that, that starts with jack of all trades, and I'll let the minister figure . . . All right, let's get on with business here, Mr. Minister.

We're dealing here with An Act to amend The Wascana Centre Act and I know that during my second reading comments I recognized the significance of this Wascana Centre, not only to Regina but indeed to all the citizens of this province because it's something that we as a province can look up to with a great deal of pride. It's I believe, where the Legislative Buildings are standing on, where we are right now, and Wascana Lake and the art centre, the museum and so on. So it's rather significant, Mr. Minister.

(1445)

And I say that to put it in context to what we're going to be talking about over the next couple of minutes. And that is that the way I understand, the purpose of the Act is that it will not reduce funding to this centre out of the Consolidated Fund. And obviously that is something I suppose that a lot of people are pleased with, that funding will not be reduced.

But concomitant to that is the fact that no increase or no reduction means zero, means the same amount as last year. And as I need not remind you, you were one of the fellows that would always get up and when we had a zero per cent increase or even a 4 per cent increase in spending, that, according to you, was an actual reduction because of other extenuating circumstances in the economic field.

So I want you first of all, Mr. Minister, to get up and confirm that that is the intent of the Bill, is basically to maintain status quo.

Hon. Mr. Tchorzewski: — Yes, Mr. Speaker, I can confirm that. I think it needs to be kept in mind that over the last . . . well I can only speak for the last two years, in fact there were in each of those years reductions in the funding, as there was in pretty well most of expenditures in government and various departments.

We have in this budget decided that it is come to an end on the reductions and we were fortunate. And I'm pleased to be able to report to the member and to the House, as I have to the Authority, that we were able to provide under the statutory funding, which is what the Bill here is about, the same level of funding as was provided last year.

Everything the member says opposite about what Wascana Authority is all about is correct. I know that the executive director recently went to a national conference in Ottawa and one of the things that

everybody who was there from all the provinces and the territories were asking about, was the Wascana Centre Authority, because nowhere else in Canada is there such a thing. The thing that comes closest is the National Capital Commission in Ottawa.

And they are really quite envious about what has been established here in Regina and in Saskatchewan around the capital buildings and in the Authority. So we're proud of it. I think we all can be proud of it. If times were different and the finances were different, I think we could even do more to even make it a . . . more of it than what it is. But as it is, it is much better than exists in most other places in Canada.

Mr. Neudorf: — Yes, Mr. Minister, one of my university degrees actually happens to be in geography. And a fundamental premiss in geography is, you answer the question not just about the rocks and geology and the development of land and so on, but rather to answer a fundamental question. And that is, why do people do what they do, where they do it? And that's the fundamental question that a geographer tries to answer.

And a core of that is to do exactly what you were talking about, is to answer that question, why are people where they are, and why are they doing what they are doing at a particular time. And that conference that you were talking about is very, very interesting. Because I think Regina, and I might add, Saskatoon, are two cities that are very, very unique in what we've done with our centre city . . . inner core, inner-city core.

Because when you go to Buffalo, or when you go to New York or some of these other large, older cities, quite literally the centre of the city is in utter decay. And the centre of the city has just fallen apart because suburban areas have grown around it. And that's a natural process for cities to do that.

And I think if we did not have our forefathers in Regina and city being very futuristic looking in their planning . . . I think we have a lot to thank them for, for the kind of centres that we have in Saskatoon with the removal, for example, of the railroad centre in the centre of the city and in Regina, here what we have around Wascana. So I fully recognize the significance of what you just said about what other people look to Saskatchewan and city of Regina and Saskatoon with some envy, because yes, Mr. Minister, we do have something to be thankful for there.

And we recognize here today that there is a cost associated with that, I think. And you indicated that you had for two successive years actually created reductions for the Wascana Centre, and I'm assuming that the same will be holding for the Bill following.

What I'm asking you now, Mr. Minister, is what were the facts, what were the figures that made you determine in Treasury Board that indeed you were going to maintain the '94-95 funding to be identical to that of the '93-94?

Hon. Mr. Tchorzewski: — Mr. Chairman, there are certain basic needs that a place like the Wascana Authority has which must be met. I mean the grass has to be maintained to a certain standard, the trees have to be looked after, there's an infrastructure that needs maintenance, and in order to meet certain minimum standards, you need to have a certain amount of money.

The Wascana Authority over the last two years — more than that — has actually be able to maintain a fairly high standard even though there have been reductions because it has worked on becoming much more efficient. It is doing more with less — not only more with less money, but it's doing more with fewer people, from the point of view of employment.

And the decision is based on, one, how many resources does one have available? In the case of the Government of Saskatchewan, how much funding is available after you've distributed among all of the needs that government has to provide for? And two, what is a certain level or standard of maintenance that has to be maintained in order to make sure that there is some quality to the facility?

And having considered both of those questions, it was decided it could be done with the same amount of funding as was done last year. The Authority will be — as it has done before — will spend this year . . . to even look again as to whether it can become even more efficient.

What the Authority would like to do — I know the member would be interested in knowing — is it would like to be able to do some capital works and do some new things. But that's not something that's in the works right now because of our financial limitations.

Now I hope that we might be able to include some of the infrastructure work under the federal infrastructure program. It will not be a big project, but to the extent that that's available to us, we will certainly be looking at what we might do under that program to make sure that the rebuilding of some of the infrastructure which is now old, might be considered and started so that we can maintain the good reputation that the Wascana Authority has established over these years.

Mr. Neudorf: — Mr. Chairman, Mr. Minister, according to what you were just saying then, I would assume from that that two years ago, prior to your cuts to Wascana Authority, we were cutting the grass too often or we were doing too much due diligence to maintenance, and that these have now been reduced because of whatever reasons that you're suggesting.

Or, Mr. Minister, what we have been doing now because of those cuts has simply been living off of inventory or living off of depreciation. Many businesses and farms and so on that are being hard put to normally can survive for a few years simply because they don't replace machinery perhaps that should be replaced, they don't shingle the roof that should have been reshingled. And therefore they can make do for a

couple of years, but the crunch comes. The final crunch comes.

And although I was speaking in glowing terms a few moments ago about Wascana Centre and an area that we can indeed be proud of, there are areas that are obviously suffering from neglect, dire neglect. And unfortunately, I might add, that this is an obvious neglect. The impression that visitors get when the first time when they come here, they see the beautiful building, they see the beautiful lawns. And I think hats off to our maintenance people in the yards for a beautiful lawn and a beautiful rose garden, as it were, outside. But when you take a look at the roads that bring us here, it's just utter disgrace, the roads that we have to put up with.

Now I recognize that it's been . . . and I won't get into geology, but if we form Lake Agassiz here with the clay beds, and all of Regina has got that kind of a problem. But it does take a certain amount of upkeep to make it presentable and indeed make it so that visitors can come and want to come to this place.

So I made a number of comments, Mr. Minister, from my perspective, and I'd like you to react to some of them.

Hon. Mr. Tchorzewski: — Well, Mr. Chairman, it's not any different in the Authority than it is in any other organization. When you have limited amounts of funding that's available, you have to stretch it and make it go as far as you can. And the Authority, to its credit — I take no credit for that; it's really a function of the work of the staff of the Authority and the people who manage it — have been able to do that. They've been able to look at the way they used to do things during the, shall I call them the glory days when there was a lot of money around, in the '70s and in the '80s, and they had to look at the way they did things then and reconsider as to whether they could do things more efficiently. And they've done that.

Now I'm the first to admit that there are certain equipment and other things that have to be looked at, at replacement over a period of time, because the member opposite is a farmer and he knows that equipment only lasts so long. But you can make it last longer with adequate maintenance. I was once a farmer too, so I know something about it as well. But if you do the . . . I mean you just have to make sure that you do the kind of maintenance to extend the lifespan of the equipment. And the Authority has been able to do that as well.

There needs to be a look at refurbishing some of that and replacing it over time. And that's one of the things that the Authority is examining now, in order that we can keep up to, as I said earlier, the kind of standard that you have to have in order to keep the Authority as to what I think the public expects it to be.

Mr. Neudorf: — Well thank you for those comments, Mr. Minister. And I know that there are what we call, a lot of what we call, bale-wire farmers out there. But there is only so much bale wire that you can put on a

tractor to keep it together, and eventually, in spite of what you do, it does fall apart. And the replacement cost is something that you can postpone but you cannot eliminate.

I'm just wondering, Mr. Minister, and this isn't my idea — my colleague here made this suggestion — that if we need these kinds of repairs that are obviously needed in the area on some of these grounds, have you considered combining the need here with a offshoot of the Sask Works program from Social Services, or perhaps New Careers people that could be incorporated into facilitating some of this deterioration that we have been talking about?

It seems to me that it would be a dual purpose whereby we could be facilitating some repairs that are needed, some updating that is needed, and at the same time passing on skills and passing on useful labour to those people perhaps who are not usefully employed at this time. Have you given that some consideration, or is that a possibility?

Hon. Mr. Tchorzewski: — Well I think the member is talking about a program under the New Careers program.

And that's certainly worth considering. We have not at the Authority level had the staff present us with what they're planning to do for this summer — I think in fact that meeting is tomorrow — but I think that's something that's worth considering.

But I also want to indicate to the member opposite that during the summer, one of the things that the Wascana Authority does — because that's when the biggest workload is — is that it hires a significant number of students, mainly I think university students, from areas of study that involve the environment, maybe even geography.

And I think that that's important because it relates directly to the field of study that they're doing. And it not only helps the Wascana Authority because it gets the kind of employees that they need for summer employment, it also helps the students because they are able to get work during the summer. But also, I think just as important, work in the field in which they're studying which I think is a pretty good fit.

So I want to make sure that that opportunity exists for these young people. But where we might be able to look at the kind of the suggestion the member makes opposite, I think certainly it would be worth considering.

(1500)

Mr. Neudorf: — Yes, well thank you, Mr. Minister. And I certainly don't want to detract from employment opportunities for students; that was not my idea. But there are still areas where the more unfortunate or those not gainfully employed could benefit from at least you looking at something like that.

I know when I was Minister of Social Services, I was very, very impressed what the community of La Loche, for example, does with their road-building project through the bush to Black Lake. I know, for example, what the town of Cumberland has done with the New Careers people in the building of an arena complex in their town. And furthermore, closer to my constituency, Duck Lake, for example, through New Careers has built an extremely impressive interpretive centre right on the premises.

So there can be a fairly detailed and fairly high-level expertise, end result, in work if it's properly supervised by all kinds of people and at a minimal cost to the taxpayer of this province. And when you consider the benefit to these other people at the same time, I think it's a win-win situation. I take some comfort, Mr. Minister, in saying that you will take a look at that.

But any time there is a . . . they hold the line or a decrease in budget, something has to be impacted. And so, Mr. Minister, I want you to explain to me now what the impact of this basic reduction in funding is going to have upon the Wascana Centre. Were there jobs lost? Are there going to be jobs lost? Is there termination of employment and so on? So I would like you to comment on that.

Hon. Mr. Tchorzewski: — Well, Mr. Chairman, this is the same funding as last year, so I do not think there will be any impact in spite of what . . . one can sometimes make the argument of inflation and other things.

An Hon. Member: — Oh, you used to be good at that.

Hon. Mr. Tchorzewski: — Well it was a different time.

But I want to assure the member that because the funding is the same as it was last year on the statutory side, that all the work that's done, the statutory funding, will not be impacted, I understand, and there should not be any change.

Mr. Neudorf: — Mr. Minister, what other forms of funding or sources of revenue would the Wascana Centre have other than statutory funding?

Hon. Mr. Tchorzewski: — Well there's the statutory funding. There is a grant that comes from the university. Where is it? Here we are. Let me explain here; I have it. For 1994-95 statutory funding from the province will be 767,000; from the city, 418,000; university, 209,000 — for a total of 1.394 million.

That is not the only funding that the Wascana Authority gets because we also provide maintenance money to the Authority as well, but that's not related to the statutory funding. It's maintenance as related to maintenance done on the government property of the Wascana Authority . . . Pardon?

An Hon. Member: — SPMC (Saskatchewan Property Management Corporation)?

Hon. Mr. Tchorzewski: — No, the maintenance funding will be budgeted this year in the Department of Provincial Secretary. I don't want to get into the estimates here but the member will no doubt be wanting to ask questions in estimates.

In the past, in the Provincial Secretary . . . In the past it was difficult to track where the funding was all coming from because the maintenance funding, I believe, was in the Department of Municipal Government — or was it the other way around? Sorry. The maintenance funding was in the Department of Provincial Secretary; the statutory funding was in the Department of Municipal Government. What we have done this year, to sort of make sure that everything is clear, is that we put it all into the Department of Provincial Secretary so it will be shown, and if the member has time to look at the estimates — and I know he will, because he will certainly be preparing for the time when we get into the Committee of Finance — you'll see that it's all in one place there.

And although there is no reduction in the funding on the statutory component, there will be a small reduction in the maintenance; but I will be able to explain in estimates exactly where that is taken out from, because it's just not simply a cut, as small as it is, but it's also in specific areas, which I think will be of no impact to the Authority as such, but will have other impacts. But that's nothing to do with this Bill; that's something that we can consider when we are in Committee of Finance.

Mr. Neudorf: — Well, Mr. Minister, what I find most elucidating from this discussion is that we finally found out a job that you actually do in your position as Provincial Secretary. We've been wondering where that \$800,000 that your Provincial Secretary increase came from. And I don't know, I would maybe suggest that part of that money should be turned over to Wascana and to Meewasin Authority to be used in other terms than just being used for the Provincial Secretariat.

But anyway you're on your feet earning your money today, Mr. Minister, I'm glad to see that.

And it was remiss of me to ignore the funding that the Wascana Authority has to count on, and as well the Meewasin Authority, and that is the university and that is the city of Regina in this case, and the city of Saskatoon out there. And you indicated to me that the university has 209 million and the city of Regina contributes 418,000 — 209,000, pardon me, and 418,000.

How does that relate as far as their contributions this year, and take me back two or three years on their contributions to make sure that the bottom line is indeed the same. Have they cut back or are they the same? Could you explain that?

Hon. Mr. Tchorzewski: — First of all, I want to make . . . I want to correct the numbers I gave the member opposite because I didn't quite give the right numbers.

But let me explain first of all how it works.

The same treatment is applied to all of the three partners under this Act. So that when there is a reduction or an increase, or as in this case, the numbers stay the same, it impacts the same way on the other partners in the Wascana Authority.

Now let me make the correction. I gave you numbers about 1994-95 funding — I gave you the wrong numbers. So I will repeat again for each of the partners so that you know exactly what they are.

The government's contribution is \$781,532; the city's contribution will be \$426,291; and the university will be \$213,145, which is basically the same as last year because they operate on the same basis as the province does, because we are all regulated by this Act.

Mr. Neudorf: — Well thank you for that clarification of the numbers, Mr. Minister. They were reasonably close. I'm not quite sure why you went astray there. But could you give me a breakdown, for the sake of the people who are listening, what is this money actually being spent on? Like we haven't spent any time talking at all about the expenditures, and precisely where does this money go? We're dealing with a fairly big chunk of money here.

Hon. Mr. Tchorzewski: — I can give the member opposite in the House the categories, but I can't give you the numbers because what we have here is a global number and the Authority has to now put together its budget to put the numbers to each of the categories.

But the categories that are involved under the statutory is irrigated turf, trees and shrubs, flower maintenance, nursery maintenance, lake weed control, picnic sites, playing fields. It's sort of basically all the kinds of things that you see happening in the park and facilities that are there. And those are the kind of categories that are involved.

And then of course there is things like snow removal, survey and engineering control, the greenhouse, the policing services to make sure that the member doesn't park in my parking stall or I don't park in his parking stall or whatever else the security service does. So that's the kind of things that are involved here.

Mr. Neudorf: — Does it include the repairing of plug-ins for MLA (Member of the Legislative Assembly) parking?

Hon. Mr. Tchorzewski: — Have you recently had trouble with yours? The answer is yes.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

The committee agreed to report the Bill.

Bill No. 18 — An Act to amend The Meewasin Valley Authority Act

Hon. Mr. Mitchell: — Yes, Mr. Chair. With me today is Mr. Jim Brickwell, a senior policy analyst with municipal government.

Clause 1

Mr. Neudorf: — Thank you, Mr. Chairman. I don't want to seem to be remiss, so I will say to the Deputy Premier, who was the minister on this previous Bill, that I hope he passes on my thank-you to the officials that were here with him. I thought we were going to have the same officials, so I neglected to do that. So I'd like to do that at this time.

So I say now to the Minister of Justice, who is obviously the sponsor of The Meewasin Valley Authority Act, that we're basically not going to have any problems here today either.

I do want to have a few questions for clarification so that I can understand more readily what happens. I'm a little bit more familiar with the Meewasin Authority, being in my home neck of the woods kind of thing, than I am perhaps here. But I would ask you, Mr. Minister, a question. What were the circumstances that surrounded the budget restraint to the Meewasin Valley? What caused that?

Hon. Mr. Mitchell: — I think the member is referring to the budget reductions that occurred in '92-93 and '93-94, and those reductions were part of the government's expenditure restraint and expenditure reduction programs. So that the Authority had to absorb those reductions in those two years. Now the level of funding for the current year, in the current budget, is the same as it was in '93-94.

Mr. Neudorf: — As we all know the Meewasin Valley Authority is in control of a large chunk of land around the river in Saskatoon and beyond, and so therefore it plays a very significant role in maintaining that river and the beauty of the river and the quality of the river for the citizens of Saskatoon and indeed many, many visitors that come to Saskatoon because of the university or for whatever reason. And as such, it would seem to me that environmental aspects of that area is extremely important; in fact that's one of the criteria upon which that Authority was set up.

How has this, Mr. Minister, reduction and subsequent freezing of the monies available to the Authority affected the environmental aspects of the area?

(1515)

Hon. Mr. Mitchell: — It has of course affected the operation of the Authority and they have had to trim their sails in the last two fiscal years in consequence of those reductions. They have, for example, restricted the hours of operation for some of their facilities. They have had to postpone some of their capital project plans, delay them.

If my memory is correct, there have also been some trimming of staff in the past two fiscal years, although I don't come equipped with that information to the House. It is my recollection that that is the case.

I am a member of the board of directors of Meewasin and have been for about the last year and a half I think, as the minister responsible. And I've taken quite a keen interest in their program, but I don't have the detail with me as to any staff changes that have taken place over the past two fiscal years.

Mr. Neudorf: — Mr. Minister, there is what we call the planning and development committee and then there's the engineering advisory committee, and it's my understanding that these two committees that existed prior have now been amalgamated and have been joined into one committee. Why was that done?

Hon. Mr. Mitchell: — That was done at the request of the Authority. They thought that these two committees could be combined into one and could perform the former functions that were exercised by the two committees. In that way they can eliminate some expenditures and have that money available for other purposes.

Mr. Neudorf: — Well obviously this would not have been a first choice of the Authority, I would imagine; that they did this under duress simply to try to save money.

So that the people who are perhaps listening to us now, Mr. Minister, so they can more fully understand and appreciate what this means, could you outline for us what each of the previous committees did, what their functions were, what their mandates were, and how is this now translated into the one committee that's going to be doing the two jobs?

Hon. Mr. Mitchell: — The planning and . . . Oh first of all let me say that while there certainly is a budgetary aspect for this, the request to amalgamate these committees and thereby streamline the internal structures in MVA was more broadly based than that. It took into account the experience with these committees and the kind of things they do and was, in the judgement of the Authority, a situation where the two committees could be amalgamated and could be doing the same thing.

The planning and development committee, which is described in the legislation, does the work that is referred to in section 21 of the Act. People make applications for construction within the Meewasin area and it is the responsibility of the planning and development committee to receive these plans and to consider whether they ought to be approved or not, and to advise the Authority on whether or not they are approved or should be approved.

So the person who is requesting the approval submits plans, elevations, specifications, and models concerning the improvement as may be appropriate, and then the committee looks at these plans and advises the Authority as to whether or not they are

consistent with the overall plan for the development of the Meewasin Valley area.

The engineering committee is concerned with the engineering aspects of . . . and design aspects of proposals that are being made to it. That in the most general terms is the mandate of these two committees. By putting them together, they put together all of those functions because all of those functions continue to have to be exercised, and they'll be exercised by one committee instead of two. The member will have noticed the way in which the new committee is to be structured, including both the architects and the engineers and the planners on the same committee.

Mr. Neudorf: — Thank you, Mr. Minister, for that explanation. I don't think we'll have to go into the history of it, but I think both of us can appreciate some of the history involved in the Meewasin Authority where indeed there tended to be that conflict between the engineers and the people that were more or less entrusted with the responsibility of maintaining the decorum and maintaining the vistas of what the Meewasin Valley was supposed to be all about.

And then we have the trades people . . . not the trades people but the business people perhaps and the farmers and people who were more pragmatic and looked at it from a different aspect of it, and the conflict that has occurred over the period of time. Although I must say that I think that that conflict has subsided substantially over the last number of years.

One word that you mentioned twiggled an automatic response, an automatic question from me, and that was the buzz word, coin word "streamlined". It was streamlined, you said. So that indicates to me that there could be possible job losses. Does this mean that through the amalgamation of those committees were jobs lost? And if so, was there any particular expertise that was lost as a result?

Hon. Mr. Mitchell: — No, in this case streamline doesn't involve any downsizing. The Authority has told us that they plan neither to increase nor decrease their permanent staff, nor their temporary staff. And so there'll be no impact upon the employment situation at the MVA.

Mr. Neudorf: — All right, Mr. Minister, that would prompt me to ask a subsequent question, a supplementary question to that. Was there any reclassification of employees as a result of this that would have meant less money for some?

Hon. Mr. Mitchell: — Not that I'm aware of.

Mr. Neudorf: — Mr. Minister, so far we have not talked at all about how this objective is going to be achieved, that of freeing the funds. Am I correct in assuming . . . is there a difference in how the Act, the Meewasin Valley Act, is set up in its funding as opposed to The Wascana Centre Act?

I have to claim I'm not quite sure of how the Wascana Act works, but it seems to me that The Meewasin

Valley Authority Act, what we are . . . I see you're conferring so I'll just sit until you have that response.

Hon. Mr. Mitchell: — The principles underlying the two organizations are quite similar, although the details of the funding formulas are different. And I'll just specify what those are. In the Meewasin situation, the province has forty and one-third per cent of the responsibility; the city has thirty and one-third per cent; and the University of Saskatchewan has twenty-nine and one-third per cent.

In the case of Wascana, the percentages are different. The province bears 55 per cent; the city, 30 per cent; and the university, 15 per cent. So you have those different percentages. The structures though are very similar.

Mr. Neudorf: — Thank you, Mr. Minister. I won't ask an obvious question as to how this formula could have been arrived at — forty and one-third and twenty-nine and one-third — and we won't get into that.

In your second reading speech, Mr. Minister, you — and I quote — say this: "This amendment suspends the statutory formula for another year." This statutory formula referred to there are the percentages that you just quoted to me. Is that correct? Yes, all right.

Now if that is the case then, Mr. Minister, what have we changed over the previous two years when there was a reduction in the end amount of money that Wascana and Meewasin got?

Hon. Mr. Mitchell: — That's a very good question, and a very complex answer will result from it. The scheme of the Act is that the funding is to be at the level of 4 mills, and that seems to have been the case for many years. And then in '83-84 there was a sharp reduction in statutory funding, which then increased in '84-85, '85-86, and '86-87.

In '86-87 the funding got up to a certain level, just over \$830,000, and then that amount was frozen as a dollar amount right through to fiscal '91-92. Then came the reductions in funding that I had indicated to the member earlier, and that resulted in the percentages that you see in the existing Act under section 62.1 which specified that for fiscal '92-93 it was to be 95 per cent of the previous year.

And then last year that was amended to be 93.8 per cent of the amount paid in the previous year, '92-93. So the Act is very complex as a result. We propose this year to maintain that funding, that last year's funding, at the same level.

I don't recall the reasons why the funding was reduced so sharply in '83-84, and I make no particular point out of it except it is part of the figures that I'm holding in my hand. But the amount then increased up to '86-87, and that level remained in effect until the fiscal '91-92, and then the changes took place that I've described.

(1530)

Mr. Neudorf: — Thank you, Mr. Minister. If I am to understand what you have just said now, that means that under normal circumstances, until '91-92, the amounts of money that the Government of Saskatchewan was going to be paying to these authorities would have been based on 4 mills. Is that correct?

Hon. Mr. Mitchell: — I'm advised of the following — very interesting. The amount prior to '83-84 was 5 mills and it became 4 mills in '83-84. It's still 4 mills in the Act. So the 4 mills in '83-84 raised about 753,000. That 4 mills continued in '84-85 and '85-86 and '86-87 to bring the funding up to \$830,000. And then it was frozen at that figure of 830, so that was the beginning of moving away from the 4 mills to a level of funding expressed in dollars.

Mr. Neudorf: — So what you're telling me then is in '91-92, when you talk 95 per cent of the previous year, you're actually saying 95 per cent not of what 4 mills would have created at that time, but rather of that stable figure of \$830,000?

Hon. Mr. Mitchell: — That's exactly right, Mr. Chair.

Mr. Neudorf: — And furthermore that the last year was at 93.8 per cent of that \$830,000 and today it is 100 per cent of that 93.8 per cent?

Hon. Mr. Mitchell: — Actually a little worse than the member indicates. It was 95 per cent of the previous year. But then last year it was 93-point-something per cent of the preceding year . . . (inaudible interjection) . . . That's right. It's, as I say, a little worse than the member indicates.

Mr. Neudorf: — Well, Mr. Minister, I was trying to be gracious to you there and I realize now 93.8 per cent of 95 per cent is not exactly the same as it would have been of a 100 per cent figure.

Just for the benefit, Mr. Minister — and this is my last question, depending on your answer; there's always that caveat — for the benefit of people who are watching, we've been talking about percentages of forty and a third and twenty-nine and a third and that's meaningless to folks out there. Could you put that in terms of this, number one, I'm assuming now that all the partners, which is the University of Saskatchewan, the province of Saskatchewan, and the city of Saskatoon, they are all being affected in the same proportion by this legislation.

So if that's the case then, could you put some actual figures in it for us this year — what they'll be getting this year as compared to last year, and put the actual dollar figures in there on the record, please.

Hon. Mr. Mitchell: — Yes, these figures apply to last year and they apply to this year also: the province contributes \$740,169, the University of Saskatchewan contributes 573,900, and the city of Saskatoon contributes \$556,674, for a total of \$1,870,743.

Clause 1 agreed to.

Clauses 2 to 10 inclusive agreed to.

The committee agreed to report the Bill.

Mr. Neudorf: — Thank you, Mr. Chairman. I just want to take this opportunity to thank the minister for his forthright answers and the officials who were so adequate in making actually both of us look as good as possible.

Hon. Mr. Mitchell: — I want to join with my colleague from the opposition in thanking the officials for being here today and for providing us with some very complex information in a form that we could understand.

Bill No. 23 — An Act to amend The Land Titles Act

Hon. Mr. Mitchell: — Thank you, Mr. Chair. With me today are Mr. Ray Petrich, the master of titles with the department; and Brent Prenevost, who is a Crown solicitor with the department.

Clause 1

Mr. Toth: — Thank you, Mr. Chairman, and welcome to the minister and to his officials.

Mr. Minister, we have a few questions we would like to raise regarding Bill No. 23, An Act to amend The Land Titles Act. As I indicated the other day, Mr. Minister, we really don't have any major objections to the Bill; however we find it does deal with some fairly complex legal matters and we would like to give the minister, give me, an opportunity to clarify the Bill for public record. And I'm sure the minister would like to just make that clarification.

We find the Bill is based on a number of objections which the Law Society had to 1992 amendments. And you mentioned in your second reading speech . . . talked about amendments never having been proclaimed because of the number of technical issues being raised. And I'm wondering, Mr. Minister, if you just would explain, for the sake of everyone involved, what the technical issues were that were raised, and why did these objections not come forward until after the '92 Bill was passed?

Hon. Mr. Mitchell: — The member will recall that we passed rather extensive amendments to The Land Titles Act in 1992 and this was one of the areas where we were heading off in a new direction with the summary mortgages.

We had had a great deal of consultation prior to those amendments and they were enacted, of course, and then the system went into the implementation stage and some problems emerged after that. The way in which the 1992 amendments were worded gave rise to real concern that the amendments, as I said in my second reading speech, might prohibit the ability to register, by way of caveat, an interest in land that was

created by a mortgage document. And we were sufficiently concerned about that concern that we thought we ought to amend the Bill, as we propose to do in the Bill that is before the committee this afternoon.

Those same provisions appeared to create format requirements which were . . . the concern was that they might serve to prohibit certain mortgages which really ought to be accepted. They were rather conventional mortgage instruments that had been negotiated out of province, for example, that were presented for registration in Saskatchewan, that were sufficient mortgage documents but which did not appear to meet the format requirements contained in our amendments.

So we have to provide enough flexibility in the Act so that the master of titles of the land titles system can accept these documents which are sufficient mortgages but which might not meet our own requirements in the strict sense in The Land Titles Act.

So just to sum up what I've said, we're trying to make the system practical and flexible enough to cover real life situations and the original amendments seemed a bit strict in order to accomplish those ends.

Mr. Toth: — Thank you, Mr. Minister. I'm glad you used the words, sum up, because I think there's a lot of people like I am. Sometimes when we look at the technical data, and we can look at the Bill that's in front of us and it doesn't look that large and it doesn't look that encumbering, but many times legal detail around it, it's difficult for most people to understand what the intent of the Bill is, or any piece of legislation.

Mr. Minister, when the Act was introduced in 1992, was there an attempt at that time, through the '92 Act, to simplify the process? Is that what the intent was? And possibly in trying to simplify it we missed out on a few areas that you had to clarify through this Act that you've brought in this year.

Hon. Mr. Goulet: — Yes, Mr. Speaker, I would like to introduce some special visitors in the Speaker's gallery.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Goulet: — Yes, we have at your gallery some members from the Saskatoon Open Door Society. We have Mrs. Jeanette Dean, Patti Hertz, as well as Sherry Klymyshyn. I'd like all members to give them a warm welcome.

Hon. Members: Hear, hear!

Mr. Koenker: — Yes, with leave, to introduce guests.

Leave granted.

Mr. Koenker: — In the west gallery I'd like to introduce to members of the Assembly, Barrett

Halderman of Humboldt and his son who are visiting the legislature today. I've forgotten the son's name and I apologize for that. Barrett was the New Democrat candidate in the last federal election for the constituency of Saskatoon Humboldt and we welcome them to the legislature here today.

Hon. Members: Hear, hear!

(1545)

COMMITTEE OF THE WHOLE

Bill No. 23 (continued)

Clause 1

Hon. Mr. Mitchell: — Mr. Chair, now I'll try and deal with the question raised by the member. The amendment in 1992 was meant to simplify the system and in fact has had that effect. It provided for a summary kind of mortgage which just contained the essential information about the particular transaction and incorporated by reference a master document which was on file with the Land Titles Office system. So that you or I in negotiating a new mortgage today would not have to file the whole, big, thick mortgage document. We would file a summary form which would be a complete mortgage because it would incorporate by reference this master document that had been previously filed.

That's a good step in our quest to simplify the system. It also is an important step to prepare the system for its eventual computerization, because these summary forms will become more and more the order of the day as we move towards the use of computers in simplifying and making much more efficient the operation of the Land Titles Office system.

Mr. Toth: — Thank you, Mr. Minister, and Mr. Chairman. So what you're basically saying then is through the summary forms it simplifies the system as far as individuals — and I would take it it would be people dealing with the mortgages, like lawyers or individuals selling houses, what have you — it just simplifies when they go to . . . as people are looking at, whether it is purchasing property, whether it's a house or land, it just makes it a little easier. I understand that you can get away from the long format of always looking up the full details; you can refer back to if I hear completely.

And, Mr. Minister, are these summary form mortgages available today or were they put on hold pending this present legislation?

Hon. Mr. Mitchell: — Yes, I think the member's question indicates that he's aware that the system was put on hold while this matter was left to be cleared up, and this Bill clears it up and will pave the way for these summary mortgages.

Mr. Toth: — So, Mr. Minister, when will the summary mortgages then be available? As soon as the Bill is enacted and declared?

Hon. Mr. Mitchell: — We have, Mr. Chair, a consultation group that is ready to go when these amendments become law. And we have to consult with the financial institutions and the legal community and other persons with an interest. And then we want to give about three months notice to the system that this will become the way of doing things. So all told, we think it'll take about six months from the date of passage of this Bill to be ready.

Mr. Toth: — Thank you, Mr. Minister. Mr. Minister, in section 125(2) several Acts are cited in reference to this Bill. And I'm wondering if you could describe and then give examples of how these would affect mortgage holders in the province.

Hon. Mr. Mitchell: — The member was asking about section 125(2), and this provision is proposed for insertion in this Bill to clarify that the owner of an easement can use that easement as security for a loan or for a debt in the form provided in the Act, which is form Q. And that may be a Crown corporation. The question arose, for example, when the SaskEnergy privatization was being considered by the former government, the question arose as to whether easements could be used as part of the security in financing the requirements of SaskEnergy. But it also applies to individuals or corporations who have easements for pipelines — maybe private corporations — as well as for Crown corporations.

I'm also advised that the provision is not new; that it was in the Act before and is simply carried forward.

Mr. Toth: — Thank you, Mr. Minister. Mr. Minister, in section 125(1), subsection (1), I notice under the explanatory notes there is some significant wording changes. And I'm wondering what the significant difference is regarding the 125(1) in, I would take it the original Bill, versus the Bill that we have before us.

Hon. Mr. Mitchell: — The before and after provisions — the previous provisions and the present provisions are the same. It's restructured a bit from a stylist's point of view. The main change are the words "or to the like effect" that appears in both paragraphs (a) and (b). And that is to give some flexibility to the system again. The mortgage shall be in form Q or to like effect. And that is introduced precisely for that reason, for a little flexibility and clarity.

Mr. Toth: — Thank you, Mr. Chairman, Mr. Minister. So what you're saying then, basically really the intent of the legislation hasn't really changed; it's just a different way of wording the subsections.

Mr. Minister, I wonder if you could explain the difference between registered and non-registered interests on a piece of property.

Hon. Mr. Mitchell: — The words themselves really provide the answer if you think about it. A registered interest is interest that is registered pursuant to the Act, either as the instrument itself being registered or a caveat being registered to protect an interest under some kind of transaction — perhaps an agreement for

sale, perhaps an hypothecation, or something like that.

An unregistered interest is an interest that is not registered. And it will . . . it could be anything. It could be an agreement for sale where a caveat has not been filed. It could be a lease — long term, short term — any kind of lease which is not registered under the Act. It could be an hypothecation which is not protected by caveat; could be anything.

So as I say, the names themselves suggest the distinction.

Mr. Toth: — Mr. Minister, I wonder does this legislation affect or change the legal rights of the different forms of ownership, i.e., certificate of title, caveat, or registered interest? And if so, I wonder if you could describe that.

Hon. Mr. Mitchell: — The answer is no.

Mr. Toth: — I'm wondering, Mr. Minister, if you could just . . . just a couple of quick questions here. In concrete terms, I wonder if you could describe how this legislation will improve the legal rights of property holders.

(1600)

Hon. Mr. Mitchell: — Sorry, Mr. Chair, to take a moment there, but this required that I refresh my memory about an Alberta decision of the Court of Appeal which expressed some reservations about the position of registered interests other than the registered owners of property. The registered owner is an idea, of course, that's clear to all members of the committee.

The question arose in this Alberta case as to the position of, for example, I think in that case it was a lease, it was a mineral lessee, which is not a registered owner but is a registered interest, which is, we have always assumed, entitled to the protection of the Act.

The Alberta case raised the question of whether the wording of the Alberta legislation was sufficient to protect those interests against non-registered interests — which are an interest as between two parties which doesn't appear anywhere in the Land Title's records.

So it is in that context that we're wanting to amend the Saskatchewan Act to make it clear that registered interests can be taken, can be dealt with, subject only to what is known on the records of the Land Titles Office by way of registered instruments, and the so-called non-registered interests won't take precedence over the registered interests.

We therefore tried to expand the protection under the Act, under the Torrens system, from simply protecting registered owners to protecting all manner of registered interests so far as the possible existence of these non-registered interests may arise in some future case to question their particular interest.

So I know that's terribly complex and let me try and answer then the member's question. We are trying to ensure that The Land Titles Act works in the way in which we have always conceived it to work; namely, that in order that a registered interest of any kind in the Act is a secure interest and is the kind of interest that it is supposed to be under the Act without regard to non-registered interests, of which no notice has been given to the parties affected.

Mr. Toth: — Thank you, Mr. Chairman. Mr. Minister, I guess that's one of the reasons I raised some of the questions and concerns. Because even though the Bill itself doesn't seem to be that complex, certainly it's not a lengthy document, yet some of the technical wording . . . and I can understand why we basically need to look to legal minds when it sometimes . . . even legal minds have a difficult time determining what interest or non-interest or the different aspects of a piece of legislation mean for those of us who are strictly maybe just in the habit of buying and selling property.

So I can commend the minister for trying to simplify the process and make it much simpler, much easier to understand. I think I can see from what the legislation before us, it should simplify the matter of handling land transactions and mortgages, and I commend you for that. And I really have no further questions.

Just in case your staff are going to change when we move to the next piece of legislation, I would like to thank the staff in attendance for addressing this Bill.

Clause 1 agreed to.

Clauses 2 to 6 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 24 — An Act respecting the Convention on the Law Applicable to Trusts

Hon. Mr. Mitchell: — My official today is Mr. Darcy McGovern, Crown solicitor with the Department of Justice.

Clause 1

Mr. Toth: — Thank you, Mr. Chairman, Mr. Minister. Again, Mr. Minister, I just want to indicate that we'll not be taking a long time discussing the Bill before us. As I indicated in my second reading speech the other day, we don't have any major objections.

I believe, Mr. Minister, you indicated that this legislation does involve some complex aspects of international trust convention. And we would just like you to take a moment maybe to clarify what you were saying in your speech the other day.

You also pointed out that the problems addressed by this Bill have been long-outstanding ones between common law and civil law jurisdictions, and that six of the nine common law provinces of Canada have already joined the international convention on trusts.

So I guess, Mr. Minister, what I would ask is maybe just give a bit of a clarification of what you meant in your statement the other day, and also maybe just indicate why it has taken us this long to join the convention.

Hon. Mr. Mitchell: — With respect to the last part of the member's question, we went through a consultation process with the legislative review committees and the law reform committees of the Canadian Bar in Saskatchewan, both in the northern part of the province and in the southern part of the province, before bringing this Bill. It is a technical piece, as the member will have seen.

It addresses a conflict between the recognition given to trusts in common law as opposed to civil law countries. And in common law jurisdictions, such as the province of Saskatchewan and most provinces in Canada except for Quebec, the common law applies. And it is recognized in law that the trustee holds property on behalf of beneficiaries, and the trustee has no personal interest in the property other than as trustee for these beneficiaries. In the civil law jurisdictions they don't recognize this concept; they have no concept of a trust. And this has led to many serious problems involving any number of people.

So as a result of the position that the civil law systems have always had with respect to trusts, a trustee is treated as though he or she is the legal owner. And therefore the trust property is attachable, for example, by creditors of the trustee. It can be seized by creditors of the trustee, even though it was never the intention that the trustee would have a personal interest in it.

So the convention that is referred to in this Bill, the Hague convention on international trusts, tries to address this legal confusion and tries to straighten out the conflict. And the present Bill adopts in effect that convention. It establishes a protocol, an international protocol, for the recognition of the administration of trusts so that courts in civil law jurisdictions will recognize trusts. And that will only be to the benefit of any citizens of this province that are the beneficiaries with respect to trusts in any of the civil law jurisdictions of countries signatory to this convention.

Mr. Toth: — Mr. Minister, then does that simplify the process that you're talking of? Does it make it a simpler process that we're dealing with here?

Hon. Mr. Mitchell: — The answer to the member's question is definitely yes. Without the convention the beneficiaries are in for a long, tough court battle in the civil law jurisdiction of the country where the trust is located.

With this, it is a much, much simpler procedure and the courts will simply adopt the process as set out in the convention and adopt the rules set out in the convention which are, in effect, common law rules. And the trust property will be protected from any of the personal problems of the trustee and the property will be protected for the beneficiaries so far as the trustee is concerned.

Now that works in countries that are signatory to this agreement and they include civil law countries like Italy and France, for example, where many Canadians hold property and where no doubt there are many trust arrangements.

Mr. Toth: — In light of the last comment about Canadians holding property, I'm wondering, Mr. Minister, out of curiosity, do you have any estimate of the number and value and trusts held by Saskatchewan residents that would be affected by this particular piece of legislation?

Hon. Mr. Mitchell: — No, we don't know how many Saskatchewan people might be affected by this. We make assumptions in this area considering the extent to which Canadians are involved in France, and we know that there are many. And in recent years in Italy, with the flow of immigrants from Italy to Canada, there are countless situations that we're aware of but we can't put any numbers to that statement.

(1615)

Mr. Toth: — Mr. Minister, have there been any incidents in the past of Saskatchewan-held trusts being seized in civil law jurisdictions, or is this piece of legislation we've got before us more a preventive measure to try and address what may come down, or are we looking at addressing something that's already happened and protecting people in the future?

Hon. Mr. Mitchell: — We are not aware of any situations in Saskatchewan. The problem has come up countless times in Ontario and we're aware of those cases, but we haven't encountered one in Saskatchewan yet. So the member's correct — we're moving here to strengthen the position of any Saskatchewan people that will come in conflict as they certainly would at some point in the future.

Mr. Toth: — Well thank you, Mr. Minister. Mr. Minister, does the definition of trust set out in the legislation differ any significant way from the definition currently in use in Saskatchewan or other jurisdictions?

And secondly, is it safe to assume that all the definitions relating to trust and administration set out in legislation conform with the provisions of the international convention?

Hon. Mr. Mitchell: — The concept of a trust as it appears in the convention, which the legislation adopts, is entirely consistent with the common law understanding of trusts and definition of trusts. The characteristics are set out under article 2 of the convention and, as I say, those are entirely consistent with the common law concept.

In article 11 of the convention, right at the bottom of the page and continuing on to the top of page 4, there are a number of implications of the recognition of trusts, and they are entirely consistent with the law in Saskatchewan. For example: "... personal creditors of

the trustee shall have no recourse against the trust assets" and "... the trust assets shall not form part of the trustee's estate upon ... insolvency or bankruptcy" and so on. There is a precise consistency.

Mr. Toth: — Mr. Minister, in chapter IV in article 16 it states:

If another State has a sufficiently close connection with a case then, in exceptional circumstances, effect may also be given to rules of that state which have the same character as mentioned in the preceding paragraph.

This clause is a little confusing, I would think, and I guess the use of the words "exceptional circumstances" make us a little nervous. Could the minister explain the kind of situations this clause applies to and why it is necessary?

Hon. Mr. Mitchell: — Very testing question. I have here a report prepared by Professor Waters on this convention and he discusses Article 16 ... actually discussing Article 15 and 16, but the part I'm quoting zeros right in on Article 16. And I quote:

Article 16 goes even further (that's just referring to the previous paragraph). It concedes to the Contracting State as the forum the right to ignore the applicable law, not only when its law demands domestic adherence, but adherence also in an international context. Moreover, the forum may give priority over the applicable law to similar obligatory laws of another State, if it considers that State to have "a sufficiently close connection" with the trust issue before the court of the forum.

These two articles do have the effect of rendering the Convention less predictable in its operation, but at least the Fifteenth Session recognized this, and in article 16 extends the opportunity to a Contracting State to declare, on adoption of the convention, that it will not apply the obligatory laws of any other State than its own. The hope of the Fifteenth Session is that, as non-trust jurisdictions acquire experience of the operation of trusts within their borders, articles 15 and 16 will be more and more sparingly invoked, in the spirit of the convention.

Now I take it from that that article 16, which in effect gives a state an out by saying that in exceptional circumstances, it can give effect to laws which they say must be applied to international situations, irrespective of rules of the conflict of laws that they gave concessions to those states in the negotiation of this treaty — of this convention — and went through a number of sessions, obviously with this on their agenda, and disposed of it in this manner.

Doing that, they concluded the convention with the expressed hope that, as the civil law jurisdictions got more experience with the idea of a trust, they would be more sparing in the invocation of their national

laws which, on an exception basis, they could apply to these trust situations.

So the member is quite right to be concerned about that. It does provide some flexibility in the civil law countries to apply some other rule which they feel has to be applied irrespective of the rules of conflict of laws and indeed the rules of this convention. And other countries having a sufficiently close connection with a case may, as you pointed out in the second paragraph of article 16, makes some allowances for these home laws.

So all I can say in answer to the member's very testing question is that, as indicated in the quote from Professor Waters's document, they hoped that these situations will vanish over time.

Mr. Toth: — Thank you, Mr. Minister. And after listening to your response, certainly if I could understand all the technical aspects of the response, there's probably a number of questions that could still arise. But I'd like to move on to . . . In article 17 at the top of page 5, it says:

In the Convention the word "law" means the rules of law in force in a State other than its rules of conflict of laws.

And I'm wondering what that specifically means or . . . as we have specific pieces of legislation, a lot of times you'll have a word will be brought out and saying, whenever you see this word this is what it means. And I'm just wondering what we're specifically talking of here, especially what the rules of conflict of laws refer to.

Hon. Mr. Mitchell: — That simply clarifies that when you're talking about the concept of law in relation to this convention, you're talking about the domestic law of the court of that country. When you talk about the conflict of law rules, you then get into an area where in certain circumstances that home court will recognize the law of another country as being the applicable law in a case.

For example, and this is no longer a valid example, but in days gone by your capacity to marry may depend upon the country in which you're domiciled. That's a rule of the conflict of laws, that domestic courts would apply. So if you were born and raised in Iran and you've just come to Canada six months ago, and you're here in front of the courts and your capacity to enter into a marriage is an issue, the Canadian courts may apply the Iranian law to the question.

This simply says that law means the home law and doesn't take into account those rules where international law may become applicable in the case. This document tends to jump over those conflict rules and provide a new way of dealing with the trust concepts that had nothing to do with the old conflict rules.

Mr. Toth: — Thank you, Mr. Minister. And I think that's only fair and it's probably wise in our changing

times.

In article 18, I wonder if the minister could give us an example of circumstances under which article 18 would come into force.

Hon. Mr. Mitchell: — I'll use an extreme example just to make the point. If the French courts were confronted with a trust that was set up in order to promote slavery, let us say, if you could imagine such a thing, then the French courts could disregard the application of that trust on the basis that it's manifestly incompatible with the public policy of France. That's an extreme and impossible example, but that's the idea.

Mr. Toth: — So basically that article is just in there, like you say, to try and address some of the extreme circumstances that could evolve, not necessarily that are presently in place today as we look at it.

(1630)

I notice in article 20:

Any Contracting State may, at any time, declare that the provisions of the Convention will be extended to trusts declared by judicial decisions. This declaration shall be notified to the Ministry of Foreign Affairs of the Kingdom of the Netherlands and will come into effect on the day when this notification is received.

I'm wondering why we've referred to the Kingdom of the Netherlands. Is this simply the location of the registry office of the convention?

Hon. Mr. Mitchell: — Yes.

Mr. Toth: — In Articles 20, 21, and 22, I wonder if the minister again could explain how they could affect Saskatchewan-held trusts.

Hon. Mr. Mitchell: — The member's question was article 21 and 22. I'll deal first with article 21. What that means is that a civil law country, for example, could decide that it will apply the chapter 3 provisions concerning recognition only to trusts which are governed by the law of another country which is party to this convention.

Now they could take another tack and say, we'll recognize trusts no matter where they are and no matter where they arise or under whose law their validity is governed if they want to, but they may reserve the right to restrict that to trusts that are made or governed by the law of another country that is a party to this convention.

Article 22 speaks to the question of the date of the instrument. And the general rule is that the convention will apply to trusts regardless of the date on which they were created. But a contracting state may decide to apply the convention only to trusts which are created after the date on which the convention enters into force so far as that state is concerned.

We have opted in this Bill — as is the case with Alberta and Saskatchewan for example — to take advantage of the exception and to apply the convention only to trusts that come into force after the convention is ratified. So we've taken advantage of the exception under article 22 in this Bill.

Mr. Toth: — Thank you, Mr. Minister. I really don't have any other further questions, other than to state that I think it's . . . for the sake of residents of Saskatchewan, it's something that maybe they certainly want to take careful note of before they enter into any agreements or are carrying . . . holding trust agreements for out-of-province residents.

To be honest with you it's a fairly complex document to me, and I'm sure that if you were talking to people with a legal mind you may even find at times, and no doubt that even amongst jurisdictions there would be differences of opinion. But I think the more we can do to try and simplify processes would certainly be beneficial to each one of us as individuals, residents certainly of our province and our country.

I would like to extend a thank you to staff person Darcy for being here to explain some of the process. And at this time, prepared to move on, unless there are any other areas about the legislation that you feel would be appropriate to just bring to the attention of the floor or the public in general.

Clause 1 agreed to.

Clauses 2 to 7 inclusive agreed to.

Schedule agreed to.

The committee agreed to report the Bill.

Hon. Mr. Mitchell: — Mr. Chair, I'd like to thank Mr. McGovern for coming and assisting the committee this afternoon.

Bill No. 25 — An Act to amend The Trustee Act

Hon. Mr. Mitchell: — As I did on the previous Bill this afternoon, I will introduce Brent Prenevost, Crown solicitor with the Department of Justice.

Mr. Toth: — Mr. Chairman, Mr. Minister, and welcome again to your official, Brent. As I indicated the other day, Mr. Minister, this is certainly a piece of legislation that I'm not sure how many times it will actually come into effect, but no doubt there have been circumstances in the past and will continue to be circumstances in the future whereby families are left in a position of having a difficulty in trying to come to grips, not only with the loss of a loved one, but with the hardships of trying to put together a funeral and the resulting expenses that would come about due to the costs of holding a funeral for that loved one. And I think certainly the intent of the Bill, I believe is good, it's noteworthy, and that we would take the time to try to alleviate some of the difficulties and the hardships that families face.

In your second reading speech, Mr. Minister, you indicated that:

the proposed amendment will provide for the payment of reasonable funeral, testamentary, and administrative expenses before the claims against an insolvent estate are paid.

Now I'm wondering what you really mean by reasonable. Does the Bill lay out what is reasonable, or how would that be determined so a family would kind of know where they're at or does the family ask to . . . after they've say gone through the format of arranging for a funeral and having laid out these expenses, who do they go to? How do they find out as to what is reasonable or who do they contact? I guess I've got about three or four questions all in one there, Mr. Minister, and I wonder if you could just lay that out for us please?

Hon. Mr. Mitchell: — First of all, let me say that the system operates pretty much as though this is already the law; has for years. And everyone, almost everyone, recognizes that an administrator can pay the funeral expenses and the testamentary expenses, administration expenses before turning to the creditors. But that is not the law and we're moving to make it so. So in other words, it's not going to be a big shock to the system to have this provision become embedded in our statutory law.

As to the member's question, it is up to the executor or administrator to do what has to be done here, and up to the family to decide what kind of funeral is appropriate. And the only test of that would come if creditors challenged the legitimacy of some of these expenses. And in order to do that, creditors would have to get the matter before a judge and have a judge determine it.

So if I were advising the family or an executor or administrator, I would tell them to behave normally, tell them not to do anything outlandish but to behave normally and in good faith and nothing untoward will happen to them. But we don't want to prescribe by legislation how much can be spent on a funeral or what an executor should or shouldn't do. We just expect people to behave normally and in good faith.

Mr. Toth: — Well, Mr. Minister, if an executor of an estate and a family planning a funeral find themselves with some difficulties in arranging the funeral and possibly some of the costs they're going to incur, what is the process? Who would they contact? Is there a contact person or someone that they could talk to before they really get into all the details of arranging for a funeral and the costs that might be incurred?

Hon. Mr. Mitchell: — No, they just behave normally. They go about arranging the funeral. They pay for it as they do now, whatever that may mean in a family situation, you know. Families handle these problems of funerals and they find resources within their families to manage these things. This simply provides that that expense is a priority expense and can be taken care of before any creditors are considered for

payment or before any creditors have a claim against the estate. It's just trying to ensure that by giving priority to these claims, the families get back the funeral costs and the executors or administrators get back the administration costs before they have to worry about the creditors of the deceased.

(1645)

Mr. Toth: — Thank you, Mr. Minister. I think I understand a little clearer now. I was understanding that if there was undue hardships in trying to cover the costs of a funeral that there was a way of maybe trying to find some reimbursement for that. But what you're really saying is that the costs of the funeral for the executor of an estate, really those costs would . . . the executor has the right to cover those costs first before any other person could lay claim to whatever funds are left in that estate so that you're not left there with either the funeral home or the director or some other aspects of the funeral, all of a sudden being left out in the cold while someone comes and challenges the estate and goes to recover costs. I think that's what I understand you're saying right now. Is that true, Mr. Minister?

Hon. Mr. Mitchell: — Yes, that's exactly correct, Mr. Chair.

Mr. Toth: — Well, Mr. Minister, I don't really have any further questions. I think we have a pretty good understanding of what you're implying in the Bill, and therefore I'm ready to move on. And again, thank your assistant for being here and for helping us this afternoon.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

The committee agreed to report the Bill.

Bill No. 26 — An Act respecting Frustrated Contracts

Clause 1

Mr. Toth: — Thank you, Mr. Chairman. Mr. Minister, it's hard not to have a smile on your face when you look and see the wording of this contract . . . in fact my colleagues were just wondering how long I was going to keep them and hold them so that they can refrain from becoming frustrated with the process.

My understanding, Mr. Speaker, is that this Bill would bring us in line with every other province except for Nova Scotia and that it was suggested by the Law Reform Commission of Saskatchewan. And I believe the Bill also binds the government to adhering to these changes, and given the record of your government and contracts, I must say that this is a bit of a surprise. In fact, I think there are many frustrated people in the province of Saskatchewan who would like to have had this Bill implemented two or three years ago so that some of the problems that have been taking place around Saskatchewan could have been addressed.

I also understand that while the government has, in the past, brought forward a number of Bills that are retroactive, this Bill will not be retroactive. In any case, could the minister give me a bit of detail explaining how Saskatchewan people will really benefit from Bill No. 26.

Hon. Mr. Mitchell: — Well I will resist the invitation to respond on a wider front, as was suggested in comments from across the floor. I want to say that when this matter first came before the cabinet it was described as the frustrated contractors Act, and so we've been laughing about this ever since. And the members of the House picked up on that and we should have some fun in this place.

The idea of a frustrated contract is a very old and troublesome common law idea and the doctrine of frustration is something that law students for generations have had to fight their way through at law school to try and understand the rules that apply to the doctrine of frustration. The truth is that the common law never did figure out a very satisfactory way of dealing with these situations.

Let me start by just briefly talking about when a contract . . . when the doctrine of frustration arises. It is where a contract becomes impossible to perform through no fault or action of either party but because of a change in circumstances.

For example, let us say that the hon. member from Moosomin contracts with Centennial Auditorium to give a singing concert and then before that event takes place gets . . . contracts a serious case of laryngitis and is unable to sing. It's not his fault. It's not anybody's fault. It's just that you're not able to perform the contract.

Similarly, and I wouldn't use the member's name in connection with this example, but some party to a contract may die so they're not able to perform the contract.

Or it may be that an act of God intervenes. You agree to buy my house, but before the sale is completed a tornado comes along and wipes out my house; so that an act of God in that example has made it impossible for me to sell my house to you.

Now what the law has never been able to grapple with is what happens when that happens. Who is to bear the consequences? And to put it in a very simplistic way, the law just sort of freezes the situation right there and says well, if you've gained any benefit, that's yours. And if you have suffered any loss, that's yours. So the chips sort of fall wherever they happen to have fallen on the day of the frustrating event — in the case of my example, the day on which the hon. member gets laryngitis. So that any deposit that's been paid is not recoverable, any expenses that have been undertaken are not recoverable; everything is just frozen in place at that point in time.

Now judges and lawyers have known that this is not a very satisfactory way of dealing with these situations.

And there have been no rules developed around the concept of frustration to sort out what should happen to the benefits and what should happen to the expenses.

This Bill is an attempt to . . . well it will be effective in providing the court with the ability to sort out that question, to ensure that no unjust benefit is received or that anyone has profited from the frustration or that anyone has to bear unfair expenses as a result of the frustration and will allow the court to apportion benefits and apportion expenses and try and deal with those situations in a just and fair way rather than the present arbitrary rules.

Mr. Toth: — Thank you, Mr. Minister. Mr. Minister, you don't know how truthful you were regarding laryngitis and being able to speak. I was just fortunate I didn't have a major contract to have to live up to.

What you're saying then is contracts are basically just held in abeyance and at the end of the day, the funds are then apportioned on what's available at the time regarding the contract. I gather that's what you're telling us.

Hon. Mr. Mitchell: — The short answer is yes, that's exactly right. It's a new and just way of approaching it. It's in accordance, as the member has already observed, with the law reform ideas on the subject and the legislation of practically every other jurisdiction in Canada.

Mr. Toth: — One further question, Mr. Minister. You talked about an arbitration clause in a contract. Who appoints the arbitrator? Is this Bill basically laying out the guidelines for an arbitrator to be appointed? And if so, who would that arbitrator be, or is it someone that the parties agree to?

Hon. Mr. Mitchell: — This refers to arbitration clauses that is already in a contract. And it's quite customary and they will have either identified somebody or they will have identified some method of appointing an arbitrator, and this simply keeps alive that provision notwithstanding that the contract has collapsed on account of the frustrating event.

Clause 1 agreed to.

Clauses 2 to 11 inclusive agreed to.

The committee agreed to report the Bill.

Mr. Toth: — Yes, Mr. Chair, I'd just like to take a moment to thank the minister and his officials for joining us this afternoon and providing responses to our questions. I'm not sure how technical — whether they were too technical at times or weren't as simple as we could have made them, but some of the detail was quite technical, and we appreciate that.

Hon. Mr. Mitchell: — I'd like to join my friend in thanking Mr. McGovern. It's always a pleasure to have him here and he's always very quick with his advice. And as I was saying, Mr. Chair, we are going to

miss further debate on this Bill. It is almost a pity to pass it.

THIRD READINGS

Bill No. 19 — An Act to amend The Wascana Centre Act

Hon. Mr. Tchorzewski: — Thank you, Mr. Speaker. I move that this Bill be now read the third time and passed under its title.

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

Bill No. 18 — An Act to amend The Meewasin Valley Authority Act

Hon. Mr. Mitchell: — Mr. Speaker, I move that this Bill be now read the third time and passed under its title.

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

Bill No. 23 — An Act to amend The Land Titles Act

Hon. Mr. Mitchell: — Mr. Speaker, I move that this Bill be now read the third time and passed under its title.

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

Bill No. 24 — An Act respecting the Convention on the Law Applicable to Trusts

Hon. Mr. Mitchell: — Mr. Speaker, I move that this Bill be read the third time and passed under its title.

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

Bill No. 25 — And Act to amend The Trustee Act

Hon. Mr. Mitchell: — Mr. Speaker, I move that this Bill be now read the third time and passed under its title.

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

Bill No. 26 — An Act respecting Frustrated Contracts

Hon. Mr. Mitchell: — Mr. Speaker, I move that this Bill be now read the third time and passed under its title.

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

The Assembly adjourned at 5:02 p.m.