

The Assembly met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Neudorf: — Thank you very much, Mr. Speaker. I have with me today a number of petitions that have been delivered. These petitions are from actually all across the province and including other provinces in Canada as well, and it reads like this, Mr. Speaker:

The petition of the undersigned citizens of the province of Saskatchewan humbly sheweth that the entire process regarding the trials of child sex offenders needs review. Child witnesses require safety and an appropriate condition in the courtroom while testifying without question. Mandatory training for judges, lawyers, and investigators is required. Sex offenders are dangerous and should not be released pending appeal. Victims' rights through victims' compensation programs should equal those offered to the defendants through legal aid; that this has resulted in a lack of confidence in the justice system and the judicial process.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately investigate and offer changes to these failed areas.

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

Mr. Speaker, I at this time present petitions. Over 7,000 names have been signed thus far and they are continuing to come in on a daily basis.

Some Hon. Members: Hear, hear!

INTRODUCTION OF GUESTS

Hon. Mr. Shillington: — Thank you very much. It is my pleasure to introduce to you, Mr. Speaker, 143 Canadian Automobile Association provincial jamboree for school patrollers. These are the school patrollers who assist in getting the students back and forth across busy streets safely. It is my particular pleasure to do this on behalf of the Associate Minister of Education who's absent at a family funeral.

As I said there are 143 of them in the Assembly. The information is not complete; I'm not sure who accompanies them here. I will have an opportunity to find that out. I will be meeting with them at 10:45 to 11 and I hope the members who are here enjoy today's proceedings and I'll really look forward to getting your impressions of what you see when we meet at 10:45.

Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Thank you, Mr. Speaker. It is my real pleasure to introduce several people who are in your gallery this morning who are on their way to Yorkton for the Country Music Association awards night which is taking place this evening.

I want to bring to your attention and to the attention of the House, Mr. Ralph Emery, radio and television personality and host of *Nashville Now*, which ran for 10 years on The Nashville Network. And Ralph, I am told — I had a chance to meet with him earlier this morning just for a few minutes in my office — will be receiving the first ever international humanitarian award from the Saskatchewan Country Music Association at the fifth annual Mikee Awards in Yorkton tonight. I'd like to ask Ralph to stand.

And also Blake Emmons, Canadian-born entertainer and songwriter, member of the Order of Canada and owner of E.I.E. Entertainment in Nashville; and Diane Petty, senior vice-president and creator of SESAC, from Nashville as well.

I want to express our wish that our guests here will enjoy their stay this morning. And I want to assure them that although sometimes people think of this place as a theatre, we don't necessarily always sing from the same song sheet.

We wish you the very best in an enjoyable stay in the legislature and indeed in Saskatchewan, and I would like to ask all the members of this House to extend a warm welcome to our guests here today.

Hon. Members: Hear, hear!

Hon. Mr. Renaud: — Thank you, Mr. Speaker. I would like to introduce to the House today two friends of mine from the fine community of Hudson Bay, Dan and Marie Schultz, who are seated in your gallery, Mr. Speaker. If they would just stand.

Dan and Marie are very good friends of mine and they're also the mom and dad of my ministerial assistant, Lee Schultz. I would like the House to welcome them here today.

Hon. Members: Hear, hear!

Mr. Neudorf: — Thank you very much, Mr. Speaker. It's my pleasure at this time to introduce some guests to the Assembly. These are seven individuals who come from the area surrounding Martensville, and they have come to Regina this morning because they do have some concerns as well, particularly relating around our justice system. And these individuals, Mr. Speaker, are Mary Letkeman, Carol Dalton, Debbie Hills, Amanda Hiebert, Anna-Marie Walcz-Irwin, Linda Guenther, and Arlene Letkeman.

And I would ask them to stand and be recognized, and would ask all members to help me welcome these ladies to the Assembly this morning.

Hon. Members: Hear, hear!

The Speaker: — I hope members will permit the Speaker to join with the member from Kelsey-Tisdale to also welcome Marie and Dan here this morning. They've been personal friends of mine for the last 40 years, although Marie won't admit that, but it's been that long ago. But I do want to welcome you here and hope you have a happy stay in Regina.

STATEMENTS BY MEMBERS

Ukrainian Easter (Velykden)

Mr. Kowalsky: — Thank you, Mr. Speaker. I would like to inform the Assembly, Mr. Speaker, that this weekend many Canadians of Ukrainian descent will be observing the Easter weekend. Today is actually strasna pyatnytsya, which means frightening Friday. And on Sunday, Easter Sunday is called Velykden, which translates to: a very significant day.

In the Christian tradition, Mr. Speaker, Easter begins with the Easter matins and high mass. And this often happens very, very early in the morning. After which time the community all exchange warm Easter greetings using the traditional greeting, Xyryctoc Voskres, which translates to, Christ is Risen! And the response is Voyeesten Voskres, which means, indeed he has risen!

Then people go back home and have their Easter feasts. After the church service, decorated baskets of traditional foods are blessed. These include Easter breads called babka and kolach which are beautifully decorated, as well as Easter eggs which are called pysanka and which are essential to the Easter celebration. In many cases the foods are given to friends as a sign of affection, Mr. Speaker.

Ukrainians in Canada and many other Canadians treasure this practice and the practices that are encouraged in Canada, which really makes this a wonderful place to live, Mr. Speaker. And I hope that some day everybody in the House gets a chance to attend the Ukrainian Easter feast.

Some Hon. Members: Hear, hear!

Foam Lake Community Hall Fund-raiser

Mr. Kluz: — Thank you, Mr. Speaker. I would like to take this time to inform the Assembly about the Rider Pride sportsman dinner and dance this coming Saturday in Foam Lake which will feature the Saskatchewan Roughriders. The funds from this evening, sponsored by the Foam Lake community hall fund-raising committee, will help a badly needed hall for the residents of Foam Lake.

Guests will have an opportunity to meet this years Riders, including Miss Saskatchewan Roughrider and Gainer the Gopher. Also in attendance will be Coaches Pat Perles, Jim Daley and Richie Hall.

A great dinner will be enjoyed by all who attend as well as a chance to dance to the music of Brad V and

the Prairie Thunder. The evening will be emceed by the staff of CKRM with lots of fun and door prizes to be won including a voucher pack of 10 Rider home-game tickets. In addition an autographed Tom Burgess jersey will be auctioned off.

Players and coaches of the Riders will be conducting a coaches' clinic earlier in the afternoon and an autograph and photo session will be held prior to the dinner and dance.

The new Foam Lake community hall, which is presently being constructed, will be greatly appreciated by the community. This beautiful new building features a 3,200 square-foot floor that is state-of-the-art and a first in Saskatchewan. What makes this floor unique is that it consists of a plywood sub-floor mounted on metal-encased rubber sleepers topped by maple hardwood tongue-and-groove flooring.

I would like to urge all of those interested . . .

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

Some Hon. Members: Hear, hear!

Model Parliament

Mr. Van Mulligen: — Mr. Speaker, even though we leave the House today and return to our constituencies for the weekend, our seats in this Chamber will not remain empty. Starting tonight members of the Saskatchewan Elocution and Debate Association will gather for the 1994 Historical Model Legislature. The association is a non-profit organization that encourages young people to participate in speech and debate tournaments. The association is active at both the University of Regina and the University of Saskatchewan, as well with students in grades 6 through 12.

This year the Historical Model Legislature focuses on the period 1922 to '29. Topics to be debated include the Canadian Wheat Board, control and suppression of traffic in alcohol, agricultural co-ops, the establishment of a Saskatchewan censorship board, and the adjustment of agricultural debt.

Mr. Speaker, there are many such model parliaments in Saskatchewan which help young people learn about politics, history, and how to communicate. The funding for such projects comes from Saskatchewan Lotteries' sports, culture, and recreation funds, which I believe to be a worthwhile and necessary investment.

Mr. Speaker, I would on their behalf thank in advance you, the Speaker, and building staff for facilitating use of the Chamber for this weekend. Finally, I wish those who take our places for the next few days good luck in all their deliberations.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Country Music Awards

Hon. Mr. Calvert: — Mr. Speaker, as a regular attendee at the Big Valley Country Music Jamboree, I take great pleasure in looking forward to this year's performance and great pleasure today in announcing to the Assembly that the Saskatchewan Country Music Association will kick off its awards weekend with the fifth annual Mikee Awards Show, featuring 14 of Saskatchewan's finest country entertainers at the Anne Portnuff Theatre in Yorkton.

The events this weekend, Mr. Speaker, will also include a pancake breakfast on Saturday, followed by a round-table discussion on various aspects of the country music business featuring, Mr. Speaker, prominently TNN's (The Nashville Network) Ralph Emery, with us here this morning; SESAC's Diane Petty; Blake Emmons of the E.I.E. Productions; Cindy Painter of CMT; and Anjo Wilson, a noted music management specialist from Toronto.

Mr. Speaker, there will also be this weekend a president's banquet at the Agriplex in Yorkton on Saturday evening, followed by a cabaret.

Mr. Speaker, the awards will recognize outstanding achievements in a total of 23 categories including performance, production, broadcasting, and management. The award, a clear acrylic obelisk with a golden microphone embedment was designed by noted Saskatchewan aboriginal artist Willard Ahenakew.

Mr. Speaker, the Premier has designated this to be Country Music Week in Saskatchewan; a fitting tribute to the people who create our country music and to all of us who enjoy it. Mr. Speaker, country music has always been used to chronicle the progress of the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Durum Trade War

Mr. Whitmore: — Thank you, Mr. Speaker. Mr. Speaker, it pleases me to take a stand here today to report what should have been obvious to many of us already — that the so-called trade war, the durum debate, is without foundation. In fact the United States Department of Agriculture got a rough ride when they faced the International Trade Commission in Washington.

They claimed Canadian wheat is flooding the U.S. (United States) market, but doesn't seem to have anything to back up the assertion. And why is that? Because there isn't anything to back it up with. The good news here is that the members of the commission even said their arguments didn't have merit. And I wish to quote: The ITC Commission, David Rohr said the report prepared by the United States Department of Agriculture was not very convincing. Rohr said it was more of a political statement. Some tabulations, some statements that did

not recommend that you have reached, and I consider that a political statement.

The basis of their case appears to be that we are taking markets away from them and flooding them with Canadian wheat. That's not so bad since the quality of product . . . since the American pasta market is crying out for our quality durum wheat.

But the key to this argument is the fact that the Americans are shipping so much of their own product out of the country — and heavily subsidized. It has left gaping holes in their own market. So naturally the pasta makers are going to buy Canadian.

Mr. Speaker, frankly we borrow an old phrase, an old phrase righteous on this one, Mr. Speaker — come hell or high water, this one we will win. Thank you very much.

Some Hon. Members: Hear, hear!

Recognition of Student

Ms. Lorje: — Thank you, Mr. Speaker. I would like today to inform the House that a constituent of mine, Chris Kreutzweiser, has been awarded a two-year scholarship for the Lester B. College in B.C. (British Columbia).

The reason I'm mentioning this, Mr. Speaker, today and singling him out is because Chris is an outstanding young citizen in this province and is an example of the good educational system that we do have in the province.

Chris is the son of a feminist and a community activist in Saskatoon and he has learned his lessons well from his parents. He is a very thoughtful, serious, and progressive young man, very concerned about environmental issues. And I have to tell you, he is also extremely concerned about political issues. And I would warn all members of the House that I confidently expect that within 10 to 15 years, he will take his place in this august Assembly. Thank you.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Martensville Abuse Case

Mr. Neudorf: — Thank you very much, Mr. Speaker. I would like to address my question to the Minister of Justice, and failing that, to the Premier of this province. And my question is this, Mr. Speaker. Yesterday my colleague from Moosomin raised the William Dove case as an example of the justice system failing the people of Saskatchewan. And today, Mr. Speaker, I'm bringing forth another example of such an incidence.

Mr. Speaker, a number of people from Martensville and area have travelled to Regina today to have a petition presented in this legislature — a petition of over 7,000 names. And these people are calling for a

public inquiry into the abuse cases that took place in their community.

Mr. Minister, the people of Martensville and across this province and, indeed, across Canada want to know what went wrong with our justice system and the way in which these cases are handled. And I ask you now: will you hold a public inquiry as these people and people who have signed that petition are requesting?

Some Hon. Members: Hear, hear!

Hon. Ms. Atkinson: — Mr. Speaker, I want to thank the member for the question. And I want to say this: that our government has listened very carefully to many citizens in this province, including the individuals who are here today. For too long individuals, agencies, and government departments have acted independently of each other when it comes to issues of children. That is why in June, 1993 our government launched the children's action plan: an invitation to work together.

We invited people, individuals, non-governmental organizations, community agencies, government departments, to come together to put children's issues on the public agenda. In this action plan, we say that adults have a moral responsibility to provide the best care possible for their children and government has a moral responsibility to provide resources for those children.

We have committed over \$4.4 million for children's services including a child advocate and including assistance for child victims. We are launching a facility that will provide coordinated, multidiscipline approaches to child physical and sexual abuse, and we are providing \$200,000 for the police and social workers to work together in order to adequately investigate cases.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Mr. Speaker, it's unfortunate that this case does not warrant explanation from the Minister of Justice or the Premier, and with no disrespect to the Minister of Education, to read a prepared statement to this House in response to a very serious question, I think that is letting . . . and selling the people of this province somewhat short.

Madam Minister, since you are the one that is going to be answering, I want to let you know that people on all sides of this issue are dissatisfied in the way in which it was handled, and they are looking for answers. There have been more questions raised in this process than answers that have been coming forward.

So I'm saying now that the people are looking to the Minister of Justice and to the Premier of this province to investigate this situation and take hold of it because they see the fact that the justice system of this province has sold them short. And it is the Minister of Justice of this province who is ultimately responsible for the situation and to ensure that law and order and justice

are carried out.

Now what is going to be happening as far as you and your cabinet is concerned then, Madam Minister, as far as making sure, absolutely sure that instances like this do not happen again. What steps is your Premier and your Minister of Justice prepared to take?

Hon. Ms. Atkinson: — I want to once again thank the member for the question. We cannot rewrite the past, but we can learn from it and we can do things differently. That is why our government has allocated more than \$4.4 million in resources for children in this province. That is why we have taken this children's action plan to communities across the province to put children's issues on the public agenda. It is not enough to have children's issues on the government agenda; children's issues must be on the public's agenda.

We have said in this legislature that we are providing funding for a Children's Advocate, something that your government didn't do even though you were asked to do so. There will be a Children's Advocate in this province that will advocate on behalf of children. That is why we are bringing police services and social service services and other services together, so that we can adequately investigate allegations of child physical and sexual abuse. That is why we are setting up a centre, a child-friendly centre, that takes a multidisciplinary approach to this issue.

As I have said, individual government departments and agencies have been stuck in their boxes for many years. We have a children's action plan that brings those groups together so that they can act responsibly and in a collaborative way in order that we can begin to deal . . . and begin to right some of the past wrongs, Mr. Member.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — I'm sure, Mr. Speaker, that the folks from the Martensville area did not come here to listen to a diatribe like that. They are concerned enough to come here to the legislature, Madam Minister. They feel that the justice system has failed them and the children of that area, and they want to have the assurance that they will be able to speak to the chief justice of this province, which is the Minister of Justice, and to the Premier.

They've already met with the Prime Minister of this country, they already have a commitment to meet with Allan Rock, and what we are asking now is that you have the courtesy to extend to them the same opportunity to meet with the Minister of Justice, to meet with the Premier today, and make a commitment that there will be action taken to investigate what went wrong in that abuse case. They want some real action.

So, Madam Minister — or perhaps I should direct the question now to the Deputy Premier — sir, will you get to your feet, get involved, and on behalf of the Premier make that commitment that indeed, if no one else, you will at least meet with these folks today? Will

you do that, Mr. Deputy Premier?

Some Hon. Members: Hear, hear!

Hon. Mr. Tchorzewski: — Mr. Speaker, I would be pleased to respond to the member from Rosthern. Members of this government are always willing to meet with concerned citizens on issues that they want to speak to the government about.

We have endeavoured to be an open government and give people an opportunity to take part in the decisions that are made as part of public policy. And certainly if the people from Martensville want to meet with some representatives of the government, the ministers of the government . . . The Premier is not here today — he's in Saskatoon — and the Minister of Justice is not here today. If they want to wait to meet with them, it will have to be on another occasion, but ministers will be available to meet with representatives from Martensville if that is their wish.

That is the way we approach these kinds of issues in this government and we have done so since November 1, 1991.

Some Hon. Members: Hear, hear!

Labour Standards Amendments

Mr. Swenson: — Thank you, Mr. Speaker. My question is to the Minister of Labour. Mr. Minister, most of the damage that your Labour Standards Act will do will only come to the surface when the corresponding regulations are tabled.

Not surprisingly you have refused to come forward with those regulations because it is your intention, I believe, to do most of that damage through the back door, in effect bypassing this Assembly and the public scrutiny that goes along with this Assembly, Mr. Minister.

If your Bill will have absolutely no effect on business investment and job creation, as you have insisted, Mr. Minister, then why not table at least a draft copy of the regulations before this Bill is forced through the House? Would you do that, sir; would you at least table a draft copy of the regulations?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — I've said to the members before, repeatedly, that the views expressed by those with whom we have met . . . and if this is behind closed doors, I would hate to see something which involves intensive consultation, because I have met with a fair number of groups who pull us in all directions. So this is a rather extensive behind-doors discussion.

But what we have been told by both sides is that they would prefer that their hands not be bound by regulations which are tabled in this Assembly. They would prefer to have a freer hand when they meet. And that is the view of both sides.

Now I recognize the members opposite are attempting to make mischief here and suggest we are doing it behind closed doors. In fact the very reason why a good deal of it is in regulation is because we want to do it in an open, consultative fashion. If I were to table regulations here, that's exactly how they'd be drafted — behind closed doors. By leaving them until later and involving the public, we're doing it in the open, in an accountable, accessible fashion.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. Mr. Minister, that is a total affront to this Assembly. To say that anything that is displayed in this Assembly is done behind closed doors, is absolutely ludicrous. That's why business people don't trust you. That's why your fax line is burning up today and yesterday and the day before because the business groups in this province and the people that would be most affected by these regulations are saying it is done behind closed doors, sir.

You haven't consulted. The place for those regulations is before the Legislative Assembly, sir, in full view of the public, so that we can debate them, so that people feel comfortable.

Mr. Minister, would you please draft the draft regulations before this House so that the business groups and the labour groups and everyone will have the comfort of knowing that their representatives have had full view of these regulations? Would you do that, sir?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — What we witnessed today, Mr. Speaker, is a stark contrast in the way that the public business is approached. When those members were in office, they sought to divide and conquer. They sought to pick the most powerful political group, cosy up to them, and then attack the weaker groups. And they did that for almost 10 years.

We have sought to do the opposite. We have sought a consultative approach which involves people in the resolution of the disputes which affect them. And that's what this is.

I know that's not what the hon. members opposite want. What they want is a series of regulations here which they can attack as being anti-business and that they think will get the most power . . . a more powerful group aligned with them, and they don't care about the workers.

But I say to members opposite, it's not the way the public business is being done. And the fact that you did that, the public business in that fashion for 10 years is part of the why . . . part of the reason why there's 10 of you over there.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. Mr. Minister, I find this absolutely appalling. You say that you've done your homework. You say that you've done all the consultation that's necessary. You say that you have got the answer for a good business-labour environment in this province.

Well if you've done all those things, Mr. Minister, then just put it in writing, put it before the people's Assembly, and let's have a look at it. And you can stamp "draft" on it so that you can change those regulations any time thereafter in consultation, Mr. Minister, with the folks.

If you're so confident, why not do your homework and put it before all of us? Isn't what this place is about, Mr. Minister? That's why they don't trust you — because you say one thing but you're scared to do what's proper. Why is that, Mr. Minister? Why are you scared to table those regulations in front of this Assembly?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — Mr. Speaker, the Conservative Party both nationally and provincially should have no difficulty recognizing the state of not being trusted. He should be able to recognize that relatively easy.

I say to members opposite, we want to involve both sides in the resolution of these difficult problems. And that is why we are leaving a good deal of the detail to regulations, so that they can be involved.

Both sides have expressed whether or not they like what's in the Bill, and I will admit that that is controversial. The process outside this Chamber is I think less controversial because they want to be involved in the solution to this matter.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Mr. Minister, last year when you tabled both the occupational health and safety and workers' comp, you put a mandatory prepublication requirement with those Bills — mandatory. You felt that before those Bills were proclaimed there had to be a time period in there when those issues would become public and people could compliment you or complain to you about what was in those Bills. The least you could do is put the same requirement in these, Mr. Minister — mandatory — that it be looked at ahead of time so if this House is out of session at least people know that the public has the opportunity to comment.

Isn't that what this place is all about, Mr. Minister? If it was good enough last year, could you at least include that this year? Would you do that, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — It's interesting that the member refers to last year. I recall last year when we were discussing the amendments to the Workers' Compensation Board and occupational health and

safety.

Mr. Speaker, we heard the most dire predictions about what was going to happen when these Bills were passed. In fact what is happening a year later is both of these processes are operating to a good deal of satisfaction by the business community. It's noteworthy that they've never used last year's Bills as an example of how things shouldn't be done. Why? Because it worked well. We're repeating it this year.

I recognize you people have a great deal of difficulty recognizing success. You flee in the opposite direction when you see it, but The Occupational Health and Safety Bill and the regulatory process and the way those are drafted up was a success. We recognize it and we want to repeat it. I recognize that's not what you're into. What you're into is sowing discord and conflict. And I tell you, you belong to a different era in Canadian politics.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. Once again the minister is off in some kind of wonderland. Because, Mr. Minister, the opposition tabled dozens of amendments — dozens of amendments which were debated in open public in this Assembly, Mr. Minister, because that process was open at least. We had the opportunity to air all of the issues, and the amendments could be debated and voted upon.

What you want to do is do this behind closed doors. That's why they don't trust you and that's why you are afraid, Mr. Minister. That's why you are afraid to bring draft regulations in here is because you cannot stand the heat.

Now, Mr. Minister, I ask you once again. If it was good enough last year could you at least include that pre-look at these Bills as you did last year, sir?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — To the member from Jurassic Park, let me try this one more time.

Conflict, and dividing and conquering belongs to the past. That may have been the way politics was conducted in the past; that's not how it's done now and that's not how successful governments are operating.

Governments which succeed are those which enter into a consultative process, and that's what we're going to do. And if you people believe that what worked in the '80s is going to continue to work, well go on believing it and enjoy Jurassic Park.

Some Hon. Members: Hear, hear!

Langenburg Drainage Project

Mrs. Bergman: — Thank you, Mr. Speaker. My question is for the minister responsible for the Saskatchewan Water Corporation.

Over the last two years, Sask Water has provided assistance for the Langenburg East Conservation and Development Authority project. The project will drain 37 square miles of farm land into the Assiniboine River and will cost local residents over half a million dollars. Some people are for this and some people are against this.

Mr. Minister, where do you stand?

Hon. Mr. Renaud: — Mr. Speaker, I would like to thank the member for the question. Conservation and development areas in the province . . . there are over 100 of them, where the people in a basin join together to work on protecting their land against flooding. In this particular area the same need is there. There are a group of farmers that would like to protect their agricultural land. There are a group of farmers that are not supporting the drainage of their land. It drains into the Assiniboine River.

What Sask Water has done is worked with SERM (Saskatchewan Environment and Resource Management) to find out if it is an environmentally sound project. There has to be approval by the Manitoba government as well because, as the member on the other side knows, the water does drain into a river that runs in Manitoba. So it's a very complex issue and I would hope that the local people in that area will come to some kind of an agreement, either for or against the project.

Mrs. Bergman: — Mr. Minister, it is Sask Water's stated policy not to support wetlands drainage projects. When you answered questions from the ratepayers of Churchbridge you made it clear that Sask Water does not support wetlands drainage. Mr. Minister, your government has international commitments under the North American waterfowl management plan and your policy is not to provide money for drainage projects.

Mr. Minister, how do you explain your government's spending on the Langenburg drainage project?

Hon. Mr. Renaud: — Thank you, Mr. Speaker. As the member opposite may not know, C&Ds (conservation and development) are formed by a group of farmers in a particular area of voting. In this case there were 73 per cent of the farmers in that area supported the project and so the C&D was then formed.

Funding under The Water Corporations Act is a 50/50 share on approved projects. The projects that she is speaking about, Mr. Speaker, is not approved at this time. It's in the process of being worked on. There still needs approval from Environment and there still needs approval by the Manitoba government. So I believe that she's a little ahead of herself at this time, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mrs. Bergman: — Mr. Minister, I would like you to make this clear. In a letter dated August 5, 1993 your predecessor wrote to Sask Water about the, and I

quote, Langenburg East drainage proposal. Mr. Minister, your own predecessor knew this was a drainage project but still supported it.

I have with me a letter from the Saskatchewan Environment's own wildlife biologist. The letter says clearly that this is a drainage project and not any other kind of project. Your stated policy is against wetland drainage. You are supporting this in direct conflict with Sask Water policy.

Mr. Minister, will you sort out this mess about whether or not the NDP (New Democratic Party) government has a clear policy on this issue?

Hon. Mr. Renaud: — Mr. Speaker, Sask Water are neither for or against projects like this; they're a body that are there for use by the people of Saskatchewan, for technical assistance and surveying and engineering and that sort of thing.

I want to tell the member opposite again that 73 per cent of the people in that particular C&D district supported the project and that's why there is a C&D. I want to say again that Sask Water are neither proponents or against the project. They're there to assist the local people if the need arises for their services.

Some Hon. Members: Hear, hear!

Mrs. Bergman: — Mr. Minister, you quote the 73 per cent, but as I understand it, many of those farmers who supported the formation of the conservation district now do not support it. Mr. Minister, your government supports an international plan to protect wetlands, but on the other hand, you are supporting the Langenburg drainage project.

It is clear to me that in your government the left hand doesn't know what the right hand is doing. The confusion over your policy is splitting the community and interfering with their lives. Mr. Minister, how long is it going to take your government to clear up this issue for the people in the Langenburg area?

Hon. Mr. Renaud: — Thank you, Mr. Speaker. As I said before, the local people in the Langenburg area are working on this issue. It's a local issue. They have the right, if sixty-six and two-thirds per cent of the original people that signed the petition change their mind, they can sign it and cancel the agreement. That's perfectly their right by law. And so if they would like to do that, that's certainly fine with Sask Water.

I'm wondering why you're playing politics on the backs of local people — again dividing people for and against. Which side are you on and what would you do, Madam Member?

Some Hon. Members: Hear, hear!

Danger of Pipeline Explosions

Mr. D'Autremont: — Thank you, Mr. Speaker. My question is for the minister responsible for public

safety. Mr. Minister, a report from the Transportation Safety Board has warned of chances of a serious explosion on the petroleum transmission company's pipeline that runs throughout western Canada.

This report notes that the pipeline runs near railroads, major highways, an Indian reserve, and an airport, in addition to many towns and cities. Mr. Minister, we only have to recall the explosion that occurred in the Maple Creek area to realize the significant danger that this could pose.

Mr. Minister, have you read this report, and can you tell us what measures your government is taking to ensure that Saskatchewan people are protected from this potential disaster?

Hon. Mr. Lingenfelter: — Mr. Speaker, my understanding is that this is an issue that is controlled by federal regulation. And what we will do is get a response for the member as it would apply in that circumstance.

Mr. D'Autremont: — Thank you, Mr. Speaker. This may indeed be federal legislation and regulation involved here, but it's Saskatchewan people that are at danger.

There are measures available to monitor pipelines, such as electronic equipment that can be sent down the pipeline. Will you investigate as to whether or not this type of equipment is being used to protect Saskatchewan people?

Hon. Mr. Lingenfelter: — Yes, we'll check on that and get an answer back to you as to whether or not the federal regulations are being applied in this circumstance.

(1045)

ORDERS OF THE DAY

WRITTEN QUESTIONS

Hon. Mr. Lingenfelter: — I would like to convert to motion for return (debatable).

The Speaker: — Motion for return (debate).

GOVERNMENT ORDERS

COMMITTEE OF THE WHOLE

Bill No. 2 — An Act to amend The Department of Economic Development Act, 1993

Clause 1

Mr. Swenson: — Thank you, Mr. Chairman, and once more welcome to the minister and his officials on this particular Bill.

Yesterday we were talking about the new corporation and how it would function. And where we'd left off this was going to be a non-profit corporation with the government putting so much in and an expectation

from private sectors. If things go well and there's a revenue source, a pool of money, will that be shared with the private sector people who are investing in this thing? Is there some way of . . . if there's a sort of a windfall occurs because of something?

Hon. Mr. Lingenfelter: — Yes, Mr. Chairman, the way we see this happening if there were to be a surplus, that first of all there would be more activity in the trade area. But if it ever got to the point where it looked like the budget was . . . the money was coming in quicker than what it was needed, what would happen is fees would be adjusted in order to reflect the proper amount of income.

There is one experience that we've looked at while we were in Hong Kong. And I know the member opposite has been there and probably is aware of the Hong Kong Trade Council which basically levies a fee on imports and exports in order to have money to provide for more trade development. They have an absolute huge surplus in their fund and what they have looked at doing is other kinds of investments. We don't see anything like that happening because we would see the mandate of this corporation to be narrowly defined to be trade development and those things related to it.

So I would expect if there were a surplus and it looked like the surplus was growing and was more than was needed for trade development, we would then adjust the fees and membership allowances in order to reflect that.

Mr. Swenson: — Well I think this is an important question, Mr. Minister, because I need you to tell me if the board will have the control for instance in selection of staff, facilities, approval of individual expenses, appointment of management personnel as it grows. All of those issues are very important as ultimately they would be with the finances of it.

I need to understand, because the government will still be the single biggest player in this thing, who will make those decisions and will there be that sense of independence which people wish? And I believe the Hong Kong situation that you mentioned, there is a lot of independence there.

Hon. Mr. Lingenfelter: — Well truly what we're trying to do is have as much empowerment and responsibility that would be based in the community or by the membership of the organization.

But how it will work, there will be in fact a board of directors — it will be made up of public and private sector individuals — and they will then hire a CEO (chief executive officer). And as in normal circumstances, the CEO will then be responsible to the board for hiring practices and going through the process of arranging the staff within the authority.

Mr. Swenson: — Will the board members representing private investors be bound by any type of confidentiality or secrecy agreements regarding decisions the board of management might be . . . And I

think, too, your role as a cabinet minister, you swear an oath. People in departments often have to sign agreements or clauses. I mean you deal with industry and their provisions, and by nature . . . I remember in Energy and Mines how my officials had to deal with reality.

Because you're going to have this mix here, do you envision those types of agreements having to be in place for the private sector representatives on the board?

Hon. Mr. Lingenfelter: — I expect they will be in place, but I don't want to prejudge what the new board will set in place by way of by-laws or regulations that staff and board members will want to apply.

But it's obviously, I think, in the best interest of the new corporation to have that kind of security. Obviously you're going to be dealing with very sensitive issues where there will be competition within the province, but also right across the country. So the need for confidentiality, I think, will be very important.

Mr. Swenson: — Thank you, Mr. Minister. Because that naturally leads to another question that has been asked of me and I need to understand this. Will the consulting and the efforts only go to companies that actually buy a membership?

Obviously they're going to get involved in this because they want access to a market-place; they want the inside edge of the track to get somewhere. You're envisioning this being open to Saskatchewan, anyone in the province. They're going to be sworn to secrecy. They're paying a fee. Are they the only ones that will get the benefits of the employees and staff and the initiatives of the organization?

Hon. Mr. Lingenfelter: — Really what will happen here is many of the services that are now done for entrepreneurs in the province — for example, trade information that . . . For example, if you were to phone our trade development office right now, there are information pamphlets and information available that we would provide. That service will be maintained. So that will be one level of service.

Then I would see, for example, if there were need for further research and development over and above what is presently being provided, there may be a fee for service for an individual or a company. And then further to that, you would also have the membership that would actually have paid an annual fee. They will then be able to vote in terms of choosing the representatives of the board.

So there would sort of be three levels of participation within the new corporation.

Mr. Swenson: — At the end of the day here, if I'm a potential investor in this thing, I mean there has to be some prize here at the end of the day beyond sitting on a board that will have a lot of government

representation on it.

I mean I understand where you're going, but at the end of the day, if I'm out there in the business community and I'm manufacturing product A and there's a half a dozen of us that manufacture product A, I'm going to say to myself, well if the same services are available to me and I can get the same prize at the end of it, why would I bother ponying up a fairly significant chunk of capital, perhaps to invest in this corporation, then sit on the board, if the guy, my competitor, who also wants to export to the Pacific Rim, will get the same services that . . .

There's something here that doesn't quite square with me, Mr. Minister, so maybe you can tell me why I would want to do that, in the face of my competitor also wanting the same market-place and using the same services.

Hon. Mr. Lingenfelter: — The member should know that, first of all, on the board of directors which we're talking about, the membership will be made up of public and private sector. And we expect the members of the new corporation, that is, people who pay an annual fee, they will have responsibility, for example, for electing the members to the board.

We expect the board will be between 12 and 15, with the majority being private sector. The ratio we're sort of looking at right now would be one-third government representation, two-thirds private sector.

Now I just want to reflect for a moment on your question about what will be the advantage of paying a fee. Obviously a number of companies are saying that in the area of travelling with experts on trade missions, where there is an actual expense involved, there may be a fee for service or the membership fee may cover part of that opportunity to attend trade missions which those people who don't pay a fee for services or are not members and don't require that extensive assistance from the corporation . . . will be able to maintain the close relationship that they now have with our department in terms of finding out certain informations that are available to the public at the present time.

Mr. Swenson: — As I understand the process, there's going to be a significant shift of folks from the department to the corporation. And I would think the corporation, if it has the latitude that you talk about, is going to want the most competent folks that it can get its hands on to do the job.

Because you're telling the corporation that they have to take the employees and they have to take them at their current salaries and they have to take them at their agreements, if they're in scope or out of scope or whatever. They have to do all of those things, okay? So fair ball. But you're still going to want the best people available going out of the department.

In other words, you're downsizing your department significantly by rolling the people into this thing. Unless we're keeping the same department and we're

adding more, and I don't think that's the intent. I think this is to downsize.

I still don't understand what the prize is at the end of the day for me as a business person in this province who will have competitors or will have people in the same game accessing the same markets. I mean the pork marketing agency, in my view, isn't a good example because all hog producers in the province belong to that. That's an outgrowth of a former government function with the marketing agency.

But there are a lot of people out there who you've taken on trade missions who are in competitive groupings. And I don't understand yet what the prize is for me to pony up and be part of the board if I can get the same services without paying them. You say I've accessed the department but you've taken the best folks out of the department and put them under the agency of the board. And it's not squaring yet with me, and maybe there's a logical explanation.

(1100)

Hon. Mr. Lingenfelter: — Well there is. It sort of takes quite some time sitting in meetings and working this thing through to really see the advantage. But with your experience, and I know you have had experience in attending trade missions and being involved in trade, this I think may help explain how the new system will work, and the advantages over the old system.

In the days past and really up till now, what happened with the 1.4 million — let's use that as the example because that's the amount of money the province is talking about putting into the initial phase — the government would sit here in the Legislative Building and decide whether or not there was going to be trade-offs in Hong Kong, for example. Or we would decide whether or not we were going to open ... or have a government-led trade mission to Cuba or Mexico.

The advantage here is that when those kind of decisions are made now, there will be a major part of private sector involvement in deciding ... and I use Hong Kong as the example because it's going to be one of the first tasks that the new trade development corporation takes on. Because in meeting with representatives of the Hong Kong community earlier this week, this was one of the topics, what do we do with the Hong Kong trade area? Is Hong Kong, for example, the gateway to China? Or is China developing so quickly on its own it's going to be Shanghai or Beijing where the office should be located?

Now obviously the people in Hong Kong would very much like us to re-establish some sort of a centre, not a free-standing one because they understand that that's too expensive for a province the size of Saskatchewan to have, but possibly in conjunction with the Saskatchewan Wheat Pool or Canpotex, having a Saskatchewan unit in Hong Kong if we believe Hong Kong will continue to be the entry point to China,

which many people believe.

There's another flow of thought though that believes that after 1997 Hong Kong will become diminished in importance in Asia, and actually Beijing or China will take over that role. The beauty of this system will be is that decision will not be made only within government; it will be made in the Trade Development Corporation.

And the budget will be lodged there from the private sector and government in true partnership, not 1.4 million but we expect 1.8 or \$2 million. We'll have a bigger combined budget and we'll have much, much better intelligence on how to spend that money. Not that the department wasn't doing a good job, because I think they were; but it will just be that much better because we will have public input into the decisions being made about where trade and trade missions, trade offices, should be located.

And I just think that overall you will end up with a much stronger system, both here in trade as well as in tourism because there are direct parallels — what we're doing in our trade area as well as in tourism. And the business community in fact is very excited about this move from a strictly government-driven trade operation to one that is jointly managed and operated in a partnership between the private and the public sector.

Mr. Swenson: — I understand all that, Mr. Minister. And I think the era of government standalone operations in Asia are probably a thing of the past. Other provinces had far more elaborate operations than what we ever did there. And I'm not sure what, at the end of day, what the cost/benefit analysis pointed out. I think everybody is having second thoughts.

You're right. The world's changing very rapidly. Private sector people understand those changes far quicker than governments do. But I still don't understand, even given all of that, at the end of day if I'm company A in Saskatchewan and say I want to export in the Pacific Rim and I want to use Hong Kong or Guangzhou or Shanghai or wherever I got to get to, if company B, C, and D are also in the same game I'm at, what's the prize at the end of the day for me to pay my membership fees and pay these things, be a shareholder, if the best services available are going to be in the corporation obviously serving the folks that are on the board?

And I still haven't got ... because I am going to have to answer to the folks out there, when you set this thing up, of why I didn't stand up and fight on their behalf if they are excluded from the best services possible. It's either you almost got to be all in or all out on these issues with government. You're going to get in a bind.

Hon. Mr. Lingenfelter: — The key here is I think for the member opposite to look at some of them that are functioning and functioning very well in other parts of the world. But you really do have an opportunity at different levels to do different things. And one should understand that on a fee-for-service basis the more

services you need, the more money you will be willing and want to spend in order to get that service.

I say again there will be a basic structure of free information and brochures and contacts that will be available to all citizens. But as you go up the ladder, people will be able to pick their level of involvement in the corporation based on what they feel is best for their individual circumstance.

And I say again, a small seed-grower who may want to export some grain to the United States — because this is one of our key areas that we see a major shift in from just producing seed materials for consumption to moving to seed materials for providing seed to other parts of the world — that if a small producer needs some pamphlets on how to arrange export permits to the Canadian Wheat Board, that can be done and you call the trade development officer and they will provide that information for you.

However, if you're interested in doing a business trip into Vietnam because it looks like an area where your company can expand quickly and you want to attend on a trade mission, you will be able to find out from the Trade Development Corporation whether there's a unit being put together, and for a fee for service you may be able to get some special attention in that trade mission, but you will be responsible for paying a fee for service.

Now if you feel strongly that you want to be involved in the actual trade development of the province — and many companies do because they see it as being that important — you may want to actually pay a membership fee that gives you the right, one, to possibly be on the board of directors or even vote for and be involved in selecting the people who would be on that board of directors.

Now this is not my concept. This has been a concept that has been developed I think in large part, I think it is fair to say, by the business community because they see that you have to have a multi-levelled system of trade development because the needs of various participants in the economy are very different, and therefore you have to have different levels of financial involvement as well.

Mr. Swenson: — So we can finish this by saying then that the level of economic participation probably determines how far you go with this thing. I mean it is strictly going to be based on a monetary entry system and up the ladder. And I can appreciate that type of system.

Now my final question is, at the end of the day you're telling me you've got about . . . envision a one-third/two-thirds breakdown on the board, which would say to me that there is a majority available to make these decisions outside of Executive Council decisions. Are you comfortable with that and do you believe that that's the way that should work, that this board in effect can buy a majority vote and overrule executive government, even though you're a partner in there?

Hon. Mr. Lingenfelter: — I think the ultimate control here is, as we talked about yesterday, is the coming to the House for your allocation of money. And the board will know that if they perform well and are doing a great job, then the minister, whether it's me or the next minister, will come to the House and ask for an allocation of money.

If there are good trade development taking place, the minister will then have a much easier time of getting an allocation next year of 1.4 million or 1.5 million; but if there's no results from that that are tangible and that people can see, then we'll have to work harder. The ultimate decision will be that government still has final involvement, as with other authorities and other granting agencies that we have.

And I think the next couple of years, next five years — because I think that's really a development process and this will take some time to judge and evaluate — but I think we'll find that the freeing up, let's put it that way, of the trade development area from strictly government to government and business, we will find that we will have a very, very healthy organization that will be led by the best of government and the best from business.

Clause 1 agreed to.

Clause 2

Mrs. Bergman: — Mr. Chair, I move:

That clause 2(b) of the printed Bill be amended by adding immediately after the words "subject to the approval of" where they occur in clause 9(1)(g) as being enacted therein the following:

"the Legislative Assembly, having first been presented the objectives, mandate and proposed budget of any proposed body corporate,"

I so move, Mr. Chair.

Amendment negatived.

Clause 2 agreed to.

Clause 3 agreed to.

The committee agreed to report the Bill.

Bill No. 6 — An Act to amend The Community Bonds Act

The Chair: — We'll give the minister a moment here and then to ask him to introduce the officials who have joined us.

Hon. Mr. Lingenfelter: — Yes, I'd like to introduce Denise Gustavson, who looks after our community bond program and other business development programs.

Clause 1

Mr. Swenson: — Thank you, Mr. Chairman. I've just a few questions on this. I need to understand the changes that you're contemplating with the Saskatchewan Securities Commission in being able to switch from straight community base to a regional economic development base, if I understand what's happening here.

Hon. Mr. Lingenfelter: — Yes, really for the member, I want to say that as per the auditor's recommendation, what we are doing is ceasing the exemption of the bond quotes from the Securities Commission.

The other thing that we are doing here . . . These are relatively small amendments in one way; but on another hand, making the regional economic development authorities eligible as incorporating bodies is actually a fairly major change, that the 20 or 25 REDAs (regional economic development authorities) that we will establish over the next coming months will really I think emphasize an extra, important role that the community bonds will have in the province.

I'd like to at this time too, Mr. Chairman, introduce Tom Marwick, who is the individual who heads up our whole cooperative division sector in the department, which includes the REDAs; and Tom, as you know, has a great deal of expertise in a number of areas working with communities, and so he is joining us on this issue as well.

(1115)

Mr. Swenson: — Mr. Minister, can you give me an update on community bonds? As you know there was a lot of support all across the province when they were introduced. Most comments in the media were very positive at the time, and I won't bother quoting those to you. But I would like an update of how many community bond initiatives were begun in 1992, 1993, and 1994; how many were started but then failed or didn't go forward in each of those years? Do you have that information available?

Hon. Mr. Lingenfelter: — Yes, I'll get that for you. I've got my staff just writing me a note that will tell me the exact numbers. I have to say that as with many programs, the community bond program started off with a flourish and there was a lot of excitement; a lot of communities moved quickly to establish and inquire about and work on community bonds.

We had, as you know, a little trouble with a couple of community bonds that got significant amounts of attention — the Trinitel community bond in Melville — and I won't get into that. But that had some significant impact. And maybe there's always a silver lining on a cloud, but I think that brought an awareness to many communities that this simply wasn't a mechanism to go out and round up a bunch of money without the responsibility of having to pay the money back to the individuals.

And there was surrounding the Melville incident, while it didn't do terminal damage to the program, it certainly brought a significant wake-up call to communities that there was need to do due diligence, that these projects had to be reviewed properly. Then flowing out of that, some amendments that came into place last year and then the amendments this year.

But I say, many of the community bond programs are doing very well. I think to date, four have actually paid a dividend to the bondholders, which I think is excellent. And while not each and every one of them is doing well, I think the program is still in very, very good shape. And actually a number of other provinces are now moving to look at the community bond program.

I think Manitoba actually has one that is very much based on Saskatchewan. And while the program was being worked on in Manitoba, our staff were involved by telephone and in writing, giving assistance to the Manitoba government in setting up their program. And I know the federal minister has talked to me about the possibility of a pilot project in western Canada that would actually extend the community bond program to be a joint federal and provincial plan.

And I think some day really what you need are the three levels of government involved in the community bond program — that would be the municipal, provincial, and federal. And I think the more entities you have involved really in sharing the risk and driving these economic programs, probably the stronger they will be.

I just have the fiscal to date, in 1993-94, and I'll just give this to you. Bond issue applications pending, there are 5; bond offerings proceeding of making investments, 4; for a total of 9. And the total subscribed during that period is 3.2 million, rounded off to 3.2 million. Number of investors, 756, and this number is of course up to interpretation, but the number of related jobs created, 36.

Now when I say is not absolute, you know how these work. I mean they announce how many jobs they will have and that maybe a few more, a few less, but roughly 36 jobs.

Mr. Swenson: — Thank you, Mr. Minister. If you could just give me those years by year: number started, number completed, number that were terminated for one reason or another; and perhaps for '92, '93, and '94. If you wish you could go back to . . . 1991 would be good then, '91, '92, '93 '94. And you could just give me the community and when it . . .

Hon. Mr. Lingenfelter: — Well what I can give you, I don't have that breakdown year by year, but I have sort of the 1993-94 and then the program to date. I'll give you that for now and then I'll have them go and break out the total.

But we have bond issue applications pending, 5 — and that's a constant, so that isn't very relevant. Bond offerings in making investment during that whole

period or at this present time, 6; bond offerings completed and funds invested, 24; total number of active projects, 35. So in this year under review or to date, we have 9 and in total there are 35. Total amounts subscribed this year, as I mentioned, 3.2 million, in total 16 million; number of investors this year, 756, in total 6,300; and jobs created in total, 340.

Now I would have to on those jobs again go back and see whether 340 are those created and whether they're still existing or not, but I can do a little research on that.

Mr. Swenson: — I don't need the job numbers particularly, Mr. Minister. I'm more interested in who initiated them, what communities in each year, which ones actually followed through and which ones didn't come to fruition for one reason or another.

Mr. Minister, in section 5, 5.1 of the Bill which states:

Where a community bond corporation has not issued any community bonds and the minister is satisfied that the corporation is inactive or has failed to comply with this Act (etc.)

that you can dissolve the corporation on any terms the minister considers appropriate.

Why was it necessary to add this section to the legislation?

Hon. Mr. Lingenfelter: — Yes, so the member knows, there is or never has been any active bond co. that has been dissolved. But what happens in some cases, is there is a bond co. organized and developed, and then, my understanding is, no money is raised and then it sits there and it deteriorates and becomes inactive. And people on the board move away and the department has a very difficult time sending out material because they're required to continue to service that portfolio. And at a time where it's agreed that there is simply no bond being developed then it makes sense in order for the administration of the program to simply end and cancel the application.

Mr. Swenson: — Could you, Mr. Minister, ask your staff to sort of put together a generic criteria, for instance, that would fit here — you mentioned a few things — because they've had experience now over almost five years time of what the process that goes on when a community becomes interested and then the proponents come forward and various things, give me their best shot at when the minister would exercise this particular section of the Bill. And you can send that to me at a later date. I don't need that right now.

Hon. Mr. Lingenfelter: — Well the staff are saying that there are cases where the community is actually saying, look, you're sending out this material but there is no bond co. here any more; the directors have left the community; it's absurd for you to keep spending money to try to service something that doesn't exist any more.

So really the only occasion where I could see this being used is almost where it's initiated at the local level, that they no longer existed, and at the present time we have no mechanism to say it's over. And what this does would give the department that ability. It would make absolutely no sense for the government to end a bond co. that had any flicker of life left in it because that's really what the program is all about.

Mr. Swenson: — I can appreciate the difficulty, Minister, but there have been a few circumstances come to my attention where people in the community felt that there hadn't been a good process in place, that there was some unanswered questions when a bond sort of fell off the edge of the table. And that's why I . . . And I know you yourself probably maybe haven't had to deal with this, but I think your officials would have some good ideas and I will accept whatever they send across in due course as legitimate reasons why these things wouldn't quite work out.

Hon. Mr. Lingenfelter: — Just so it's on record, I'll get in writing for you the kind of circumstances where that might apply.

Clause 1 agreed to.

Clauses 2 to 10 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 5 — An Act to establish the Tourism Authority

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

Hon. Mr. Lingenfelter: — Yes, Mr. Chairman, joining us, to my left is Neil Sawatsky, the director of tourism information; and of course Leona Gorr, our acting deputy minister of Economic Development.

Clause 1

Mr. Swenson: — Thank you, Mr. Chairman. Mr. Minister, there's been a lot of discussion around the various groups, the stakeholders in the tourism industry, over this initiative.

The comments I made to you yesterday about what is happening in other areas of your government is very applicable to this Bill today when we see the various initiatives here.

(1130)

A lot of the groups that are stakeholders in this industry I think have made very strong representations to you and your government that they don't like the proposed labour legislation one iota. I've got letter after letter, faxes coming in from a lot of the stakeholders in tourism who are just adamant that if their costs are driven up significantly, none of the things that you want to achieve by this particular initiative in tourism are going to come to pass because they won't be able

to cope with the concerns.

And I suspect you'll give me the same answer that you did yesterday when we were talking about economic development and that particular area, but it is a real concern. And I would hope that as the minister responsible for these interest groups, that you're putting their concerns forward on a very strong basis. They employ a lot of part-time people; they employ a lot of people at the lower end of the wage scale; they're very seasonally dependent; they rely on our student population immensely in order to carry forward their businesses. And if those students and others are prohibited from joining the tourism business on its regional demands, it's going to be very difficult for them to cope.

So I wonder if you would care, just for the record, to give these people some comfort that their concerns are being listened to.

Hon. Mr. Lingenfelter: — First of all, I just want to say to the member, about the process that we went into leading up to the development of the Tourism Authority, over a year ago we set up what we called the ministerial task force, or minister's task force. And basically we established the task force that here again was made up of people from our department, prominent people from the department and prominent people from the industry, who became involved.

For example TISASK (Tourism Industry Association of Saskatchewan), Mona Selanders was involved; Saskatchewan Hotels Association, Bill Nelson; Sask Outfitters, Donna Carlson; Sask Country Vacations, Beatrice Magee; Regional Tourism Association, Ken Ricketts; Urban Tourism Association, Jim Kilkenny, from the Ramada here in Regina; transportation, Floyd Glass from Athabasca Airways; service stations, Kelsey Calder; retail, Joan Cleland; arts and culture, Don Martin; and the Federation of Saskatchewan Indians, Wayne Morris and Lindsay Cyr were involved; and the Metis Society, Art Daniels from Saskatoon. Now members from the department, Leona Gorr and Neil Sawatzky and Shelley Duke, Darryl McCallum and Wendy Gold.

So you can see the team of people really were those who probably knew, although not exclusively, but some of the most well-briefed and well-educated people on tourism in the province. I say again not exclusively, but certainly representing those who know a lot about tourism.

What came out of the discussions was that here again with limited dollars, both within the tourism industry itself and the private side and in government, there was a realization that there was a great need for focus on themes and focus on centres of excellence in tourism. And that could be much better done through a joint authority made up of public and private sector than the government doing its thing and the private sector doing theirs.

I don't want to dwell on it, but I can tell you that there

was a great deal of concern about the *Get Smart* ads that were developed within the Department of Tourism at one point in the recent past without consultation with the private sector. And I think they felt that there was a significant wastage of money there, that if it had been done jointly, we would have got a much more intense tourism package put together.

So shortly after the '91 election, what we did is we put together a team of people from the private and public sector who really began to develop, both in terms of choosing our ad agent for the department, working with us on developing themes, and we decided to do joint development of tourism. This then led to the establishment of a much more fundamental and permanent organization, i.e., the Tourism Authority which we are dealing with today, flowing out of the minister's task force.

I want to indicate again, coming to your main point, that is, how does labour regulation affect the tourism industry, obviously labour standards affect it much more than The Trade Union Act, so I'll focus my comments there. Although the chairman will know that we're limited how much time we want to spend on The Labour Standards Act while we're dealing with the tourism Bill.

But I just say to you that there has been a great deal of consultation. There has been a great deal of consultation on this. And I think some of their biggest concerns have in fact been dealt with by the Minister of Labour who has indicated very clearly, in going back to question period today, as to why the regulations are not tabled here.

What he has worked out with the industry is a sectoral arrangement whereby the regulations will actually be developed with each sector in mind. I understand that tourism will be a separate sector. And actually the regulations that apply here will be tailored and developed over the coming months, with tourism involvement, sitting at the table, designing regulations that will best fit that industry. And not unlike what we did with the occupational health and safety, and other areas, where we work out sectoral arrangements in regulation to best meet their needs.

I can give you the commitment that the Tourism Authority will be working very, very closely with the Minister of Labour and the Minister of Economic Development to make sure that the best interests of job creation in the province in the tourism area, as well as the best interests of the employees, are taken into consideration when those regulations come forward.

Mr. Swenson: — Well, Mr. Minister, it sounds good, but unfortunately . . . like the people you mentioned there are not unknown to myself and others. And the discussions that you are talking about are a year old, unfortunately. And their opinion, I would suggest to you, sir, has changed fairly dramatically in the meantime.

There is a great deal of unease because they don't particularly like the idea of their industry, as you put it, being cherry-picked by the Minister of Labour as he picks and chooses his political fights in the province of Saskatchewan, Mr. Minister. These people are in it with everybody else. Business is business, and they happen to make their dollars through tourism whereas somebody else might be manufacturing or something else.

But the fact is that the business climate of the province, Mr. Minister, and the tone that it sets is the same. And I know it's easier for you and everyone else if you can sort of cherry-pick your way through here and offer this group something that you don't offer somebody else and do it that way, but I'm not sure at the end of the day that you will have something better than what was there before. Because the business climate, the ability to invest . . .

You all go to the same bank, Mr. Minister, you all go to the same credit union, and you all rely on people in the market-place to come up with risk capital to fund your projects. And all of those people assess this province in a macroeconomic way as they develop their plans and their aspirations. And you can't simply say, well I'm going to set you over here and either punish you or reward you because of how friendly you've been to the government. And unfortunately there is some fear in the tourism business that's exactly what you're doing.

And I will give you an example, and these letters are known to you. The aboriginal community have written you a number of times with concerns on the way that their representation will be handled by the new Authority and the issues surrounding reserve land, representation on the board, that type of thing. They don't want to be separated, Mr. Minister, from everybody else. They wish to have their rights but they want to know that they are a strong player in the industry.

And I believe what you're doing on the labour side of the issue, if the minister refuses to bring forward those regulatory initiatives to allow people to view them in the public, will mean that this jurisdiction isn't as competitive as others ultimately when it comes to spending tourism dollars.

And my discussions with people in the tourism business tell me that they would love to see a draft of those regulations, at some point, in full public view — at some point in full public view. That's why I suggested today that the minister have a mandatory review period of those regulations attached to the legislation, so that the TISASK people and others could look at them and not be fearful of the outcome.

Hon. Mr. Lingenfelter: — Just so that the member is clear on what we are doing here when he says that the regulations, as they would apply to labour standards, should be universal across the piece shows a lack of understanding of, for example, the cleaning services that might apply to the cleaning service industry in Regina, which much takes place late at night or very

early in the morning, and the difference in the need for labour standards that might apply there versus a northern camp in tourism where it is very, very different. And therefore the sectoral arrangements on regulations as they would apply to labour standards become very, very important.

And the sectors are very clear on that. The tourism sector is not saying they want the same standards on labour standards as other sectors in the province, so that isn't an accurate statement. They're saying we very much appreciate the opportunity to sit down with you and work out what the regulations are going to be as they apply to our specific industry because our industry is very different.

Tourism is very intensive during certain periods of the year. If you're at a ski hill in Cypress Hills, it's very different than running a fishing lodge in northern Saskatchewan. And they want to make sure that all the nuances are taken into consideration in the regulation, and therefore there'll be a period of weeks, if not months, that the Department of Labour and the various sectors will sit at the table and negotiate that out.

Now I think that's much better than the minister arbitrarily bringing in a set of regulations today, as you're demanding, that he and his officials have drawn up in their offices. That may be better, but I'm willing to bet my last dollar bill that you'll get a much better set of regulations if you take the next few months and sit with the various sectors of the economy and work out joint regulations.

And basically that is the commitment that we've made. When I met with the tourism community — what? — maybe three weeks ago here in the building and, at that time, while they are concerned . . . To that point I will agree with you; obviously when there's changes made people will be concerned. But I think they are satisfied with the process that we've established of keeping them in the loop and helping us to design the actual regulations as they will be implemented later.

Mr. Swenson: — Well, Mr. Minister, people in the tourism industry came forward and clearly indicated either by a letter or by public statement that they weren't pleased with the present loop, as you call it; that they would like to see draft, and I repeat, draft regulations — not final regulations, but draft regulations — tabled in this Assembly in public. Would you support them?

If your major players that you deal with as the minister responsible for tourism, if these groups came forward and said to you, Mr. Minister, we'd like to see these things dealt with in a more public way because we would feel more comfortable as the bigger part of the business community, would you support them in that initiative?

Hon. Mr. Lingenfelter: — What I'm saying is that we will be bringing in the legislation, which is now here in the Assembly. The minister has talked about certain

amendments that he will be making to the piece of legislation, then breaking down on sectoral lines, be setting up working committees that will work on the regulation. And this is a system that has worked before.

And I say again, when people were demanding it last session and we worked out a sectoral arrangement for regulation, those regulations are working very, very well. And I would be willing to say that our system of developing legislation as it would apply to labour law, when we come through the gate on labour standards and The Trade Union Act, you will see one of the most peaceful and best structured labour legislation, as being in the best interest of business and balanced to the best interest of labour, that you will see anywhere in Canada.

This is not going to be a system that speaks to the interest only of business or only of labour. It's not what governance is all about. The act of governance is not as previous governments did when the political pot started to boil, turning over the political agenda to someone like a Grant Schmidt and then seeing if you couldn't rally the troops again by having business solidly onside and attacking labour.

That's not governance; that's something else. And I'll tell you, even politically the rewards of that are pretty stunning and astounding if you look at the result in the last provincial election here in Saskatchewan.

(1145)

Governance is the art and the responsibility of taking the best interest of all sectors of the economy into consideration and developing policy, not that will reflect only one opinion but trying to find a middle ground that both parties can live with. And the Minister of Labour has literally had hundreds of meetings, not only with labour people but with business people as well. And even this week, we have probably had 10 or 15 meetings with business people where we work one on one in developing what will be, I think, the best labour policy in Canada, reflecting the interest of business and reflecting the interest of labour.

I just ask you to be patient with the process, which is one of consultation on the regulations, because in the end you'll have a much, much better system of regulations, having gone through a sectoral, consultative process, than the minister writing them out in his office and then imposing them on people here in the legislature.

Mr. Swenson: — Mr. Minister, you know that's simply not true. You don't have, you and your government don't have the — how would I put it — all the answers for this. I mean government after government comes, Mr. Minister, and ministers work hard to solve problems. I mean this is getting a little sanctimonious, and I didn't really want to stay here for a great length of time, Mr. Minister. So you don't have all the answers and neither does your seat mate in this issue.

But there's some real concerns here because where do you put the food industry, you know? The food industry and how we develop it here has a direct tie to the tourism industry; a lot of products that you're talking about on the value added side . . . the craft industry. You know, I mean if he's going to sort of cherry-pick his way through this and set . . . They all intertwine in this province, Mr. Minister, and you and I both know that. That's a simple fact. They do — they intertwine.

What I asked you was: if the groups that we're discussing here now, the people that are going to buy into the Tourism Authority, come forward in a public way and say to you, we are not comfortable with the process because we feel either, one, that it is going to ultimately hurt our business or, number two, we want to be part of the larger business perspective in the province, I just simply asked you, would you support it?

And I didn't ask you about the minister coming forward with regulations that were cast in stone. All I'm asking for, on behalf of these people, are drafts, sir. You stamp "draft" on it and it doesn't hold you to anything, but it gives you a perspective of what's going on here.

Would you support them if they come forward in a public way and say, we would like the process changed? That's all I asked.

Hon. Mr. Lingenfelter: — Well in fact that's exactly what we're doing. We will be working diligently over the next months. But to believe that we could have the consultation done in order to get those regulations through the process of consultation before we write them down done before the legislation is passed, that's simply not possible.

So you understand what you're asking for. On the one hand on the legislation you said we should have done the consultation first before we ever brought the Bill to the House. That was your argument on the Bill. Now you're saying, don't worry about the consultation. Bring the darn regulations in and don't consult, just get them here.

And you can't have it both ways. Either you want us to consult before we do the regulations, or you don't. And when you were talking about the Bill you were saying, why are you doing all these amendments? Why weren't the consultations done absolutely before you brought the Bill in?

And what I'm telling you is that on the regulations side this works. Bringing the skeleton here, the Bill here, with the principles on which you're going to hang the cloth, which are the regulations, you've got to do that here in the Assembly. And that's what we're doing.

But the regulations are much better left to be defined sectorally especially as it would apply to tourism where we will have likely two representatives from tourism, two representatives from the labour side in tourism, someone from the Department of Labour,

sitting at many meetings designing a policy of regulation that would be tailor-made to that industry. And it works.

We have evidence that that process that was used during the last legislature, and then the regulations flowing out of it, are working very, very well. And all the predictions of the members opposite, of dire consequences, of dire consequences that would flow from that kind of a style of management consultative with the community simply haven't come to fruition. In fact we have a system of occupational health and safety second to none anywhere in Canada.

And therefore I would just urge you, in a non-political way, to be patient and have a belief that the system will work in this case as well. And I don't want to mitigate your argument that there is concern in the industry. Obviously when there are changes made that might impact the bottom line of a tourist operator in this province — be it a hotelier or a northern camp operator — they have every right to be concerned and express interest in what the regulations and the Bill is going to be about, as do the trade unions. I mean they have concerns and qualifications on the legislation as well.

Nor do I believe that at the end of the day that when the Bills are passed through the House we're going to have universal consensus from the extremes in business and the extremes in labour. Because I believe that if you did have the consensus of all one side or all the other, the Bill wouldn't be balanced properly.

What you have to do is chart a course where the majority of people in business and labour can live with the policy, and then we will assume that we have had a fair, significant amount of success.

Mr. Swenson: — Well, Mr. Minister, the folks out there understand some very basic parts of this. And they know that this summer when they're all doing their tourism thing here, Mr. Minister, they're all out working, and your seat mate there has got a couple of them in a room and he's got a few folks from labour and whatever, and this House isn't in session any more, that their ability to cause much of a ruckus with you is gone . . . (inaudible interjection) . . . No, but if there's something there that's fundamentally flawed, if it's fundamentally flawed, then they don't have the same type of expectation, Mr. Minister, of this House being in session.

Now you say to me, why don't we put the bones in here and then we'll put the clothes on it afterwards and we can't expect all that to get done in this session. I agree with you totally. You can't. There aren't enough days left. And I agree, your minister should consult. He's got ground to make up for what he didn't do ahead of time. Not you, but him. He's got ground to make up here.

I mean we could have a fall session. You're the government; you can call this House in any time you want. You can do that. That's the power that you have.

And I would think that we would want to do this right rather than do it wrong, cause a bunch of controversy and have to redo it again. I mean this is not the type of issue — and I agree with you — that should be part of an election campaign. It shouldn't be. This should be done in a way that makes tourism one of Saskatchewan's natural strengths, which it should be. Because we've got all the components here; we've just never been able to get all the things lined up.

But what I'm telling you is that there is enough concern with the process right now that they're not comfortable. And they would like the opportunity to view these things before it's all said and done. If that's too much to ask, fine. I guess we'll have to live with it. And you'll do what you're going to do and we'll have to do what we're going to do. But I don't think that's a totally satisfactory process for democracy in the province when we're talking about the lives and the futures of so many people.

Mr. Minister, I referred earlier to the fact that there have been some fairly strong objections sent forward by FSIN (Federation of Saskatchewan Indian Nations) and some of the native groups to the Authority — not with the concept but sort of some of the make-up of it — because I've also received letters. And I wonder if you might comment to me about what you've done to rectify some of these situations, or if you feel comfortable with the way that the aboriginal groups will be represented in the Authority.

Hon. Mr. Lingenfelter: — As it might be logical for the FSIN representatives, they want to make sure that there aren't any influences that might affect their long-standing agreements with the federal government who have ultimate responsibility in most of these areas. So there were those kind of concerns.

But I have to say their involvement was significant and they helped out in very many areas, and in the final process have signed off and are going to be one of the partners in the new Tourism Authority.

Mr. Swenson: — Another issue where there's been a fair bit of discussion, Mr. Minister, is the . . . a lot of people within the business felt that the Authority should reside outside of the city of Regina. Not that one community was against another particularly; they just felt that they wished the independence, if you will, the fact that they weren't considered to be just another arm of government. And I think there's been some fairly strong representation to you on that fact. Is it contemplated that as this thing becomes more independent that it would be allowed to move outside of Regina?

Hon. Mr. Lingenfelter: — What we have planned to do with the Tourism Authority is basically depend on the board, the new board, to do site location. My understanding is that there are 15 board members — two appointed by government, and my understanding is, the balance by the industry. And so they will be called on in the early phases of their mandate to choose a site location.

And I think you can see that there are natural advantages that a number of communities around Saskatchewan have. And while we will have our people at the table who will be involved in the discussion, putting forward various options, I think this will be very much an industry-driven decision as to where the headquarter or office should be located.

Mr. Swenson: — As we dealt with, Mr. Minister, with the trade authority, I understand that there is a requirement for the new Authority to pick up employees from the existing department, and that all of those contracts and benefits and those types of packages have to go along with it.

Do you see that being a requirement of the Authority, Mr. Minister, once they are up and running? Will they be able to determine their own salary schedules, those types of things, in the future?

Hon. Mr. Lingenfelter: — Yes, that's true; the member's right. Both in the Trade Development Corporation and the Tourism Authority the employees will be transferred with the same package they presently have.

Mr. Swenson: — How long, Mr. Minister, do you envision that that will be in place? At what point will the Authority start to make those decisions?

Hon. Mr. Lingenfelter: — This will not be an unusual situation, not unlike the transfer of contract or agreement of employees moving from one company to another. When the contract would expire or does expire, a set of negotiations will go on between the employees and the management and a new contract will in fact be forthcoming.

Mr. Swenson: — Mr. Minister, will the Authority handle all of the promotional material, that type of thing? Or are we going to have a split situation like we have with Economic Development again? Will there be people involved with the Authority but people that simply stay with departmental staff, or is this sort of a two-pronged approach as with the other initiative? Or are all the services going to be provided by the Authority as far as tourism development in the province?

Hon. Mr. Lingenfelter: — There'll be two areas that will stay in the department; one of them, provincial-federal relations which will have to be . . . continue to be managed through the government agency, as well as any capital projects that might be involved, and then of course legislative authority and reporting mechanisms to the Assembly. So those main three areas.

And I'll just read these out because you may want to . . . or they will appear in written form at any rate. But the marketing of tourism will be one of the mandates; the provision of visitor and information services; the education and training of individuals involved in the tourism industry; the planning and development of tourism destination areas; the administration of tourism funding programs — and I say again that's

other than capital funding because that will remain in the department — research and policy development in tourism; public awareness of tourism; the development and promotion of tourism in Saskatchewan.

(1200)

Now if you look at those areas, you will really find that what has happened up to this point is there has been that kind of development in the department and in the private sector. And the joining of those two, it's believed, will just overall strengthen themes in development of certain strategic areas and sectors within tourism when both are focused very adamantly in the same areas.

Mr. Swenson: — You brought up another area that is causing concern here, and that is the issue of capital projects. And I think it's been expressed to you that — I see the Crown has reserved the right to make capital project expenditures without regard to the Authority — and I think it's been expressed to you, probably by TISASK, that that is somewhat bothersome because you could do this capital project and then say it's your responsibility, it's not ours, type of thing.

And yet they don't have the leeway to determine those issues themselves. And we've got the issue now of two major casinos. It's up in front of city council in Regina, and there's going to be some internal warfare before they decide where that casino is going to be. But I presume the minister, the Gaming minister, is probably going to expend some money, and certainly tourism is tied to this, and you get a big capital project somewhere because the government's determined that's what they want to do.

And then the Authority is charged with looking after it, or responsible for it, but they didn't have any say in its placement and any say in its employees and any say in its management. And I guess what I'm asking, are the regulations going to provide a mechanism whereby the Authority will be guaranteed consultation or perhaps a veto over a major capital project? Are they going to have that ability?

Hon. Mr. Lingenfelter: — Well the reason the task force, as I understand it, recommended that the capital projects be left with the government is because of the oftentimes large amount of involvement with other levels of government, federal or municipal.

I take the Poundmaker historical site, for example. There's involvement of highways in terms of the road that might enter the area. There's federal historic money that may flow into the project; there's municipal regulations that may have to change, and actually on most of the larger capital projects, governments are involved at every level. And it was just believed by the task force and the recommendation that this would be an area better left with the government agency.

Now as we go along here, and if it's decided by the Authority that they could handle it, that's something

we could always come back and review. Truly. I mean there's nothing absolute about any of this. It's like, in some ways, the community bond corporation.

I really think on new legislation you should review it annually to see how things are working, at least in the initial phases, and we'll be doing this with the authority. But initially, it was just believed that capital projects would work better left in the government.

Mr. Swenson: — Well I can appreciate that view, Mr. Minister. But I mean some of these initiatives are happening and the construction or the equipping of two major casinos are a fact of life. And I know that the tourism industry in both Saskatoon and Regina, as they are around the province where they have existing casino operations, are very interested in the outcome of this and there could be fairly large capital expenditures here.

And at the end of the day, whether the public is going to buy in or not buy in, they are a little bit worried that they may be the folks stuck looking after things. And yet they had very . . . no input. And I don't think even with the passage of this Bill that that Authority is going to get up in time to have the kind of input that they might like before the minister of Liquor and Gaming is off and running. And it causes some concern out there as to what the proper balance should be.

Hon. Mr. Lingenfelter: — Well I can tell you quite certainly that there will be a great deal of advisory role by the Authority on capital projects. And it's very unlikely that if we were working on a capital project in one area of the province, that it would be going ahead without an approval process or at least a great deal of consultation having taken place with the Authority.

So I say again, this could end up being a discussion for a later day, but I don't see it at this point as being contentious because the advisory committee recommended we do it this way. And I think they based it on some pretty logical information that they had.

Now if you or others find it to be a problem or it ends up being a problem, this is something we can certainly look at when we're back here next year.

Mrs. Bergman: — Thank you, Mr. Chairman. Mr. Minister, the Act to establish the Saskatchewan Tourism Authority is indeed a welcome piece of legislation. I believe strongly in the need to remove the control of economic development from within the reaches of government, and given the economic significance of tourism in Saskatchewan, I feel that this legislation is an important step in the right direction.

While the establishment of the Tourism Authority is not exactly a privatization, it is devolution of the responsibilities from under the direct influence of the government's thumb to a more arm's length operation. It will now become a separate, non-profit corporation although the staff of 27 people from the Economic Development department will now move

to the Tourism Authority.

It is my understanding that the Authority will be run by a board of directors — and then you've been explaining that this morning — funded by the government. It is important to acknowledge the high level of cooperation between the players in the tourism industry and the government.

To the credit of the department, the government seems to have been open to the industry's point of view, and that bodes well. The potential of the tourism industry to contribute to our economy is almost untapped and I'm certain that this move to empower the Tourism Authority will be of great benefit to expanding that resource.

There are challenges associated with this move — downsizing of the board and streamlining the tremendous number of agencies with which it must deal. I understand that TISASK will remain separate and that it will continue under its current mandate. In the long term, Mr. Chair, I believe that this Act to establish the Tourism Authority is a positive step for the province.

Hopefully, a department at arm's length will be able to spend money more efficiently without the political interference it might experience in government. I don't mean that in a partisan way, Mr. Chair, but with each change of administration there seems to be bumping and moving of employees from one department to another. The tourism industry is an industry which offers a relatively easy entry level for small business and presents many excellent opportunities across the province. I and the caucus are hopeful and confident that this move to establish the Tourism Authority will produce and facilitate far more ventures and successes in the economic sector.

And now, Mr. Chair, I have some questions to pose to the minister with respect to the Bill. The establishment of the Authority comes with a commitment from your government to provide funding. I'm interested in the long-term planning by the Authority. Will the funding for the Authority remain at a fixed level, for how long, and has that commitment been made to the Authority?

Hon. Mr. Lingenfelter: — Well as you know with all grants that governments give, which is really what we're talking about here, this will come back to the Assembly each year; it will be debated. I would expect the priority being given to tourism and I think you're accurate in saying the potential is great in tourism.

It's not exactly untapped in the sense that we presently have 22,000 people working in that industry. But it is a sector that we've identified as one of the strategic clusters as being a fast growth industry. And if you look at a 10 per cent growth in that area, which is not unrealistic, over the next three or four or five years, you see an extra 2,000 jobs, 2,500 jobs, and within our strategic planning of increasing employment, this is one of the key areas where, as you say, small business without a lot of financing, or at least big

financing, can get in and create employment.

And regardless of whether you're in Regina or whether you live in Morse or whether you live in northern Saskatchewan, each area has a great deal of tourism potential. It's only sort of where your mind quits imagining as to the limit that you would have on it.

But as to the amount of money that governments will put in — and I'm not speaking for myself; I'm speaking for governments in general as this program goes forward — I think the fact that it is moved into a semi-private, semi-government organization, in some ways the funding is more secure. There are no guarantees in government obviously. I can't make commitments long term. As you know, in politics that is very, very difficult to do.

But all I can say is, if the Authority works the way that we think it will and the way the industry thinks it will, government will see it as an important tool and will continue the funding.

So not to belabour the point, but first of all it's impossible for me to predict what this government or successive governments might do with the Authority. But if it's working well, and I guess this will be the proof, governments would be very foolhardy to cut funding on an area where there's fast growth in jobs and wealth. And therefore I would assume that successive ministers and department heads would look very favourably on recommending to government stable financing or increased financing.

Mrs. Bergman: — What effect will this have on the role and future of TISASK then?

Hon. Mr. Lingenfelter: — The meetings that I have had with TISASK, and I guess most recently, a few weeks ago in meeting with Mona Selanders and her staff people, is that their role does not diminish in any way; in fact, will act as a . . . I believe as a supplement to the Authority and another strong partner working in tourism in Saskatchewan.

So there again I think it will be incumbent on TISASK to continue to work hard. And knowing the people involved in TISASK, I have little doubt but that they will be around for some considerable time.

Mrs. Bergman: — Thank you. This devolution process means that the Tourism Authority will inherit all of the government union staff from the director down. Can you confirm just how many staff will be moving, and is my understanding correct on this issue?

Hon. Mr. Lingenfelter: — Yes, my understanding is that there will be 28 staff moving and 3 staying in the department. So the total complement is 31; 3 staying in the department, 28 moving to the Authority.

Mrs. Bergman: — The Bill talks about the ability of the Authority to set policies about hiring, rates of pay, duties, and powers. Does that commit them to working within the current agreements of employees

transferred to them and for how long?

Hon. Mr. Lingenfelter: — As I mentioned to the member from Thunder Creek that the contracts move with the employees. And this is not unusual because if you were, for example, changing the ownership of a hotel that was unionized, the new owner would continue on with the contract. And when the contract expires, or hopefully long before the contract expires, discussions will go on with the employees and new arrangements will be made in the normal process. So the agreements move, in fact, with the employees.

Mrs. Bergman: — Thank you. Mr. Minister, how was the decision arrived at to leave the Tourism Authority within the purview of the Public Service Commission?

Hon. Mr. Lingenfelter: — The new employees will not be hired through the Public Service Commission. They will be hired by the board through normal competition that the board will manage.

Mrs. Bergman: — It is also my understanding, as the result of consultations, that the Authority will not likely have a CEO on board for some months. Can you tell me whether there will be an opportunity for the Authority to assess the performance of the individuals, evaluate their staff levels, and if necessary return any of the employees to the government for placement elsewhere if they do not fit in with the new CEO's operational plan?

(1215)

Hon. Mr. Lingenfelter: — Yes, we expect that the CEO will be hired somewhere in the vicinity of October 1, and the employees moving, as with Trade Development Corporation, become employees of that organization. There will be no movement back and forth between the new management and the old management, so to speak. They will become employees of the Tourism Authority and in so doing are not eligible to move back to government any more than they are to move to the Hotel Saskatchewan. They become employees of the Tourism Authority.

Mrs. Bergman: — Thank you. Will the Authority inherit all the contingent liabilities for pension and benefits and collective agreements from the Economic Development staff that moves over to the Authority?

Hon. Mr. Lingenfelter: — Yes, everything in fact will move. So their benefits responsibilities will move, as well as payments and that that have in fact already been made.

Mrs. Bergman: — Will the bumping rights also be part of that?

Hon. Mr. Lingenfelter: — I just want to make it very clear that all the rights they have now within their collective agreement will be in place in their new work centre. So if you're referring to bumping rights within their working unit, they will in fact have bumping rights within their working unit, within the

Tourism Authority.

Mrs. Bergman: — What restrictions might that pose if they experience future budget cuts?

Hon. Mr. Lingenfelter: — I'm not sure what the question is, but it would . . . it's just within their contract. If their contract has them earning a certain amount for a certain number of years, then they will be absolutely eligible for that. It will be their responsibility of their unit to bargain with the new management for subsequent contracts. And if they get a pay increase, it will be one that will be bargained within their unit and will not be, at that point, restricted to pay scales or arrangements that might be made again in government or within other parts of the tourism industry. They will be able to bargain their own arrangement, represented by the same union that they presently are involved with.

Mrs. Bergman: — There was some discussion of this point in your previous questions. The current budget of 7.3 million includes marketing programs and information services. There is an additional expense of almost a million dollars for office, staff benefits, and warehouse space. And currently Tourism is paying about \$37 per square foot for office space. I'm wondering if the Authority will truly be an authority with the full power to make decisions about consolidating its offices or moving to cheaper accommodations. Will the Authority have those kinds of decision-making powers over its own budget?

Hon. Mr. Lingenfelter: — Yes. As you know, the board will have the ultimate decision to make about location, and I just am not in a position to prejudge what might work best for them. There are arguments that, I guess, the centre could be in other cities. There's arguments that it could stay in Regina. If it stays in Regina, there's an argument it should be close to the Department of Economic Development. Others may argue it should be away from.

And really this will be an interesting discussion at the first board meeting, so we'll just have to wait and watch for minutes of that meeting.

Mrs. Bergman: — I guess you're saying basically they have that authority.

I'm interested in knowing about the level of expertise and knowledge that exists in the Tourism Authority. Is this a group to which the government goes frequently for advice when preparing the budgets on revenues for tourism? Is this a source of expertise for the government in making tourist-related decisions; and if so, will it continue to be consulted by the government?

Hon. Mr. Lingenfelter: — Well in the last couple of years this has been one of the, I think, very positive areas of government where the industry has worked very closely in conjunction with government. And I think historically that is probably true, where there's been quite a good relationship between the industry and government.

I know going back to our last term in office in the 1970s in the Blakeney government, it seems to me, my recollection — although I wasn't the minister of Tourism — but there seemed to be a good relationship, working relationship between the industry and Tourism. And I think, in recognition of some of the positive things done by the previous administration, for the most part I think that working relationship — for example, between TISASK and the previous administration — was relatively positive.

There was a short period of time — and I think the numbers on tourism inquiries reflect that — around 1990 and 1991 where I think it's fair to say that the Tourism department got out of sync with the industry, and the inquiry numbers clearly indicate a great drop-off when that linkage and good feeling didn't exist between the government and the industry.

But I think for the most part under the previous administration, all the optics and what I can tell about the statistics that I have in front of me would indicate that there was a good working relationship between government and the tourism industry.

For the future I think the working relationship now, in my mind, has never been better. And I don't say that because I'm involved. I'm just looking at the numbers, and we are at an all-time record high in terms of tourism inquiries in this fiscal year. And I say that because of the excellent work done by the industry, the members that I've listed out earlier who have really done yeomen's service in working towards a new relationship between government and industry.

Will this continue? I think it's going to get better and better as we go forward in the relationship between government and business if we all continue to talk. Because I think, in terms of working through difficulties or building new systems, the art of talking to one another on a very, very constant basis, especially when you have difficulties — not only when things are going good but especially when there's even the smallest difficulty, not to leave it until the end of the year or until the next meeting — the idea of talking constantly to one another really remove the impediments that often build up between industry and government.

Mrs. Bergman: — Mr. Minister, was there a recommendation of the task force as to how many members there should be on the board?

Hon. Mr. Lingenfelter: — Yes, there was. This was one of the big discussion points on the ministerial task force which was made up largely of private sector individuals, is how the board would work. Because that I think was . . . One of the concerns was, how do you get a broad spectrum of people represented and broad enough so that you didn't have some of the smaller sectors simply being moved out and not represented by the Authority, and where the very large ones took over and represented only their interest. And so the board structure was very important and that's why the size. While some may argue it's too

large, I think in this case it was very important to have that kind of representation to make sure all areas in fact are represented.

Mrs. Bergman: — Thank you. I'm interested to know if there were recommendations about what was the best way to choose the members? How did you come to the decision that the cabinet should appoint six of those members, and what process will be followed to ensure that these do not become partisan appointments?

Hon. Mr. Lingenfelter: — These appointments, you have to realize that in large part will come from other sectors that will be involved in tourism in one way or the other. You could have someone from Parks for example, because the provincial parks being a big part of our tourism plan, or they could be from the Environment, because keeping the environment in great shape has a lot to do with whether or not people come to your area for tourism. And so these people will be picked for their expertise.

I can't imagine the advantage of having political people on this Authority versus having qualified people.

Now I suppose you might have those times when they may overlap. But I think governments appoint political people who are not qualified at their very own early risk. And I just think that in terms of the Authority it will be unacceptable and seen to be unacceptable to appoint political people. And I can assure you that that is not the intent.

Mrs. Bergman: — Thank you, Mr. Speaker. These are all the questions I had to pose at the time, and I appreciate your answers and the participation of your staff.

Clause 1 agreed to.

Clauses 2 to 23 inclusive agreed to.

The committee agreed to report the Bill.

Hon. Mr. Lingenfelter: — Mr. Chairman, if I could, I would just take a moment to thank our officials who in a very able way advised us through the committee on these three Bills.

Mr. D'Autremont: — I thank you, Mr. Chairman. On behalf of the opposition, we'd like to thank the officials for also coming in and participating today and for their cooperation.

(1230)

THIRD READINGS

Bill No. 2 — An Act to amend The Department of Economic Development Act, 1993

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

Motion agreed to, the Bill read a third time and passed

under its title.

Bill No. 6 — An Act to amend The Community Bonds Act

Hon. Mr. Lingenfelter: — Mr. Speaker, I move that Bill No. 6 now be read a third time and passed under its title.

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

Bill No. 5 — An Act to establish the Tourism Authority

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

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

COMMITTEE OF FINANCE

General Revenue Fund Environment and Resource Management Vote 26

The Chair: — This department has been before the Committee of Finance before, but the last time was some time ago and I'll ask the minister to reintroduce his officials to the members of the committee.

Hon. Mr. Wiens: — Thank you very much, Mr. Chairman. I'd like to introduce on my right, the deputy minister of the Department of Environment and Resource Management, Michael Shaw. Behind him, the associate assistant deputy minister in charge of management services, Bob Blackwell; and behind me, the assistant deputy minister in charge of policy and programs, Mr. Les Cooke; and on my left, Mr. Glen Rolles, the executive director of regional operations.

Item 1

Mr. D'Autremont: — Thank you, Mr. Chairman. Mr. Minister, I'd like to welcome you and your officials here today. I know that we have discussed a number of times underground storage tanks — it's a very popular issue in Saskatchewan — and I think we have a few more questions today to deal with on this issue.

A week or so ago there was a meeting up at Davidson in the evening when approximately 300 people were there to discuss the underground tank situation. These people were called together by the Environmental Fairness Association, which is an organization mainly representing service station owners, people — farmers, RMs (rural municipality), school boards — that have underground tanks. And they were quite concerned with this legislation, with the regulation involved in this piece of legislation that mandates them to remove underground storage tanks.

Mr. Minister, when all these people gathered there, there was a number of your officials that also

attended; but you, Mr. Minister, were not there. I wonder if you'd mind explaining to the people of Saskatchewan why you found it impossible to attend this meeting when you knew considerable time in advance that this meeting was taking place and that the people there wished to very seriously discuss the issue of the underground tanks with you.

Hon. Mr. Wiens: — Mr. Chairman, I want the member opposite to know that I've been engaging in discussion on this topic with all concerned parties for a very long time. The issues around the concerns are very largely regulatory. The officials that attended heard very much the comments and the concerns of people there, have reported that to me, and continue to use the process that I have established in order to review the whole program that, as you I think are aware, was begun under your administration in 1989.

What I have done since taking over the ministry is established first of all an advisory group that recommended an action plan by which the deadlines for upgrading storage tanks was extended by a year, and under some circumstances, three years.

We have established as a part of that action plan a larger advisory committee which is reviewing all elements of this program, and we are now in that process of review. It's important for you to be aware, and for it to be on the record, that two of the members who are on that advisory committee were instrumental in gathering that group together.

I am waiting for that advisory group to deal with the important issues that have been raised, because I want to respond as the minister to that larger advisory group when they have heard the issues and recommended to me what the program should look like. So at this moment I'm asking the advisory group to hear the input, to respond to the concerns in such a way that we have common-sense solutions to problems that have been identified.

Mr. D'Autremont: — Thank you, Mr. Minister. Well it's very nice that there is a large advisory group put into place by your department to consider this. But there was a large group of people in Davidson that night who wanted to talk to you.

Now Mr. Shaw did a good job in his capacity as your deputy minister, but he was not there to answer questions of policy. He could explain this is the current policy of the government. But it's not his position to be making changes to that policy — that's your job, and you weren't there to listen to what the people had to say. And those people wanted to talk to the Minister of Environment, not his department people, but to you, sir, and no one else. And you refused to go there. I have no idea why you were hiding out from them, but you were.

Mr. Minister, will you give the reason that you were not there that night?

Hon. Mr. Wiens: — Mr. Chairman, I don't know if the member opposite has developed a hearing difficulty

since the last time we met to discuss this issue, but as I had earlier said and I want to remind the member opposite again, the members opposite established the policy which is now resulting in a significant amount of concern, particularly by small service station owners.

In order to address the policy's shortcomings that the member opposite and their administration implemented, I have established two separate advisory processes, one following the other: one to establish the short-term strategy to try to relieve the pressure on the people who felt that they could not comply within the time frame set out by the members opposite; and then to set up an advisory committee to examine in greater detail the very important issues of levels of contamination, of the nature of the physical upgrading, the questions of when it's important for upgrading to occur, the questions of who pays, the question of environmental contaminated site liability. These are not questions that are answerable in a day. Those are questions that require broad consideration and response to the particular practical problems that individuals are experiencing in the field.

I just want to, before I sit down on this, remind the member opposite that in his interest in his opening comment he said that rules that require people to dig out tanks, the only requirement to remove tanks under the regulations — as the member opposite ought to know, since their administration introduced them — is when they're 25 years old. The other regulations are only there to provide an upgrading that allows a way of determining when they're leaking so that they don't cause damage and that determine a way of minimizing the rate of degradation of the tanks.

As I have said to the member opposite already, the policy advisory group in action is the advisory group that has now been at work for about a year on which three . . . from which three members were at that meeting to hear. I'm not going to make any . . . I'm not going to set, first of all, a policy advisory group in place and then come and make policy proclamations as a minister out of my own instincts as I sit there.

The reason that there are people put on an advisory group is because they have a particular interest and a particular expertise to look at the issue. That group has been established, the group is listening, the group is deliberating, and I've asked them to do their job even more quickly so that we can address the concerns that have been raised. That's the way to do good policy changes and that's the way we'll continue to do them.

Mr. D'Autremont: — Well, Mr. Minister, I listened very carefully the first time you gave your answer and I listened very carefully again the second time you gave your answer; and my hearing is good and I did hear what you said and you did not respond to the question at all.

It's very nice that you have set up two committees to review this because it does need to be reviewed, but the people in Davidson that night wanted to talk to you. They were glad that the department people were

there and prepared to talk to them, but they wanted to talk to you — and you were hiding.

If there's a physical ailment here between us, Mr. Minister, I would suggest it's you protecting your hide. Or perhaps it's the member from Riversdale trying to protect his hide by not allowing you to go out there. Now I'm not sure which one it is, Mr. Minister, so will you explain why you were not in Davidson that night?

Hon. Mr. Wiens: — Mr. Chair, I think I've answered that question twice. And the fact is that the . . . we're in the middle of a policy review.

The advisory committee is looking at it. The advisory committee heard. Members who organized the meeting are on the advisory committee. They were there to hear and they will advise me when they've completed their deliberations.

Mr. D'Autremont: — Now, Mr. Minister, I am sure that the public of Saskatchewan that are observing this and I am equally sure that the environmental people that are concerned about the underground tanks will be receiving these verbatims, will see that you would not respond to the question of why you were not in Davidson that night.

You can hide behind the fact that you have some policy people doing some reviews, but that doesn't make up for the fact that you were not in Davidson to hear directly the concerns of those people that were there that night. Mr. Minister, you were simply hiding.

I have a letter from a lady in Gainsborough whose service station is being required to do some major changes because of the underground tank situation.

Mr. Minister, I wonder if you could explain what studies have been done to determine that one part per million of gasoline in drinking water is unacceptable.

(1245)

Hon. Mr. Wiens: — Mr. Chairman, I am not sure; I don't have the health risk studies here before me. And I think the member opposite wouldn't expect that that's true.

My concern would be at any time — and I believe it ought to be a concern of the member opposite — that if there is one part per million of gasoline in drinking water one ought to be worried about where it's coming from, because gasoline doesn't belong in drinking water.

So the question of whether that particular level is a cause for concern or not, is an issue that the health researchers would have to answer and we can get that information for you if you desire it — but I would be very concerned that one part per million of gasoline in drinking water as a signal that gasoline was getting into drinking water.

Mr. D'Autremont: — Well, Mr. Minister, because of our extensive use of gasoline throughout our whole

society, gasoline can and does reach the aquifer at various points in time.

Now the people who are concerned about this need to know that there is some valid reasons as to why a number like one part per million has been chosen as the level at which you now no longer have a safe environment.

Is it a situation that when this was put in place that you could measure one part per million of gasoline in water? And next week, because we can measure one part in 10 million gallons of water, that will be the number? And the week after that, because we can measure one part per billion, that will be the number? What are the justifications for one part per million?

Hon. Mr. Wiens: — Mr. Chairman, I hope the member opposite also sends the whole record of his conversation, not only to the concerned members of the Environmental Fairness Association, but to people who are generally concerned about the health of themselves and their children.

I think the contention that gasoline just leaks around all over the place and gets into water, is such an absurd contention and it's such an absurd admission of what the member opposite's standards are, that he ought to be ashamed of himself.

My goodness, if the member opposite is not concerned and in fact he would accuse owners . . . and I think the members of the Environmental Fairness Association would be offended at the notion that the member opposite would describe their operations as being so unmanaged as to allow gasoline to leak all over the place and end up in the water. Because it is my observation from these people that they are concerned that their tanks don't leak; they don't want them to leak. They are concerned that there is a public health risk. They don't want there to be a public health risk, which seems to be the opposite contention than the member opposite would suggest.

They simply are in a circumstance where they believe the regulations may require them to do something at a time when it may not yet be necessary, or that the cost of clean-up is such that they cannot bear it, recognizing that it ought to be cleaned up.

The members of the Environmental Fairness Association to whom I've spoken — and I've spoken regularly — are concerned about environmental contamination. They have contended that someone else should pay. The issue of environmental contamination and who pays is the question of environmental contaminated site liability legislation, which we are out consulting on, preparing to look at for next year.

This is an issue that identifies who has participated in pollution, the principle underlying it being that the polluter should pay. Many of these people are saying we weren't the polluter but we are the present owner, now who should pay? That's their concern, not the kind of lackadaisical sort of attitude the member

opposite takes that suggests people actually want to accept that kind of nonsense.

Mr. D'Autremont: — Well, Mr. Minister, the people that were at that meeting were concerned as to what the standards were. If there's a leak in their tanks, they definitely want to put an end to it, but they also want to know that when you start reclaiming that soil, what's the standards? This letter says one part per million of gasoline. Now what justification do you have for picking that number?

There was a Dr. John Blatherwick that spoke at that meeting that night who contended that removal of this soil in a lot of cases is more harmful to the environment than leaving it where it is. So when you come up with a number like one part per million, what justification do you have for that number? Why did you pick it as opposed to some other number?

Surely when you're going to have this kind of standard you're going to have some justification for putting that forward, Mr. Minister. And all your blather about claiming we don't care about it is just hogwash, Mr. Minister, and you know it, because we have discussed this very seriously. And the people that are involved want to know where you're getting these numbers from and why you're using them.

Hon. Mr. Wiens: — Mr. Speaker, the rantings of the member opposite are interesting considering that the member opposite's party was in government when the standard which he is complaining about was established, and when I have already explained twice that we have established a review process to try to determine whether in fact that is still an appropriate standard. I don't understand the false sort of excitement the member opposite is engaging in over something that he did in 1989, or his colleagues did in 1989, and that we're now in the process of trying to change, if it in fact it needs to be changed.

The advisory committee which I've established is looking at the basis for those standards that you describe. The advisory committee is looking at whether or not the national guidelines that have been used by other provinces are appropriate in these circumstances.

I don't know how many times I have to explain to the member opposite that the purpose of the advisory committee that I've established is to look at all of the regulations surrounding this to make sure that they make common sense from the side of the physical upgrading requirements, from the side of contamination levels that need to be addressed, from the side of contaminated-site liability.

Because I can tell you the last thing that any service station owner wants that I've spoken to . . . and I've spoken to more than you spoke to that night when you were there, and I've spoken to them more often. I've spoken to them with a great deal more concern and more understanding of their circumstances than you have, Mr. Member opposite.

Their concern is they do not want to be caught in a circumstance where they are contributing to the kind of stuff that you would see to be acceptable, that somehow gasoline and drinking water — just something that happens. It's not the attitude of any of them and I'm really disappointed it's the attitude of you.

Mr. D'Autremont: — Well, Mr. Minister, you can cry all the crocodile tears you want because nobody believes them.

Mr. Minister, you talk about having an advisory committee. Well what is this advisory committee studying? Where are they getting their information, and what studies is that information based on? You can't even give me a simple answer as to where you got one part per million. So what are they studying? Simply your political rhetoric?

Mr. Minister, your answers are not acceptable to the people in this province who are concerned about the underground tank situation. And you can go around crying your crocodile tears but the members of that association don't believe you. And I have been in discussion with them a considerable amount, Mr. Minister, and they are not at all impressed with you or your attitude.

So, Mr. Minister, where are you getting your information?

Hon. Mr. Wiens: — Mr. Chairman, may I repeat that the member opposite, I will give him the benefit of the doubt here and believe that he knows the answer to the question, because the members opposite were the ones that established the levels the member opposite is asking about. So I need to be kind and believe that the member opposite knows that those come from national standards and national guidelines.

The question is whether those are still appropriate and applicable today, and that's the question which is being reviewed. And I don't know how many more times I need to explain that to the member opposite. They're being reviewed because there is a great deal of public concern expressed about the standards that the members opposite, when they were in power, put in place. We're now in the process of reviewing them.

I understand the concerns of the service station owners. I have heard them. I have asked the department to respond in a way that provides the necessary information for review. I hope the member opposite in his earlier comments was not questioning the advisory committee, because the advisory committee includes a representative from the Environmental Fairness Association and from the Canadian Federation of Independent Business and from the community in that sense. SARM (Saskatchewan Association of Rural Municipalities) and SUMA (Saskatchewan Urban Municipalities Association) have participated in this discussion from its outset, and they're active participants in reviewing this because this has implications for them.

And if the member opposite, on one day of the week in the Assembly, wants to talk about consultation not happening in government; and on the other hand saying when consultation is taking place that no, no, the minister should somehow overrule all of that and say no, the truth today is going to be this; you should stop consulting, you should actually go and tell the advisory committee to butt out, you're going to do it for them now. Like which approach does the member opposite want to take?

I've explained, I think four times, that the advisory committee is there for the purpose of reviewing the regulations, to try to make them responsive to the circumstances in Saskatchewan in 1994. That's the job they're going to be doing and advising me on, and I hope the member opposite would like that process to continue so that we could jointly be advised by the best group we can be advised by.

The committee reported progress.

The Assembly adjourned at 12:56 p.m.