

The Assembly met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

READING AND RECEIVING PETITIONS

Clerk: — According to order the following petitions have been reviewed, and pursuant to rule 11(7) they are hereby read and received:

Of citizens of the province humbly praying that the Assembly may be pleased to cause the government to immediately investigate and offer changes to trials of child sex offenders.

NOTICES OF MOTIONS AND QUESTIONS

Mr. D'Autremont: — Thank you, Mr. Speaker. I give notice that I shall on day 77 ask the government the following question:

Regarding Saskatchewan Telecommunications Corporation, SaskTel: (1) did SaskTel rent out a number of cellular telephones and/or other equipment to persons involved in the indigenous peoples celebration held last summer in Moose Jaw; (2) if yes, was all of this equipment returned to SaskTel and; (3) if yes, did SaskTel receive payment in full for the rental of this equipment and; (4) if SaskTel did receive payment for this equipment, how much money is still owed to SaskTel and by whom?

I so submit.

INTRODUCTION OF GUESTS

Hon. Mr. Calvert: — Thank you very much, Mr. Speaker. It is my real pleasure today to introduce to all members through you, sir, 7 very special students from the Alexandra campus of SIAST (Saskatchewan Institute of Applied Science and Technology) in Moose Jaw.

They are visiting the legislature today; they'll be touring after their time here in question period, and I look forward to meeting with them on the steps about 11 o'clock.

Mr. Speaker, they're accompanied today by Ms. Verna Nicholl and Ms. Paula Green. I would ask all members to welcome these very special students from Moose Jaw.

Hon. Members: Hear, hear!

Mr. Van Mulligen: — Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to the members of the Assembly a group of 10 students who are seated in your gallery. These are students in the Balfour special tutorial class from Balfour Collegiate in the constituency of Regina Victoria. They're accompanied by their teacher, Pauline MacDonald.

I look forward to meeting with them after the question period. This is a group that has in the past asked very many tough questions, and I look forward to another exchange with them. Please help me in welcoming this group here today.

Hon. Members: Hear, hear!

Mr. Britton: — Thank you, Mr. Speaker. It's a distinct pleasure for me to be able to get up in my place again and introduce to you and through you to the rest of the members assembled here, Mr. Speaker, a group from Luseland, which is in my constituency; it's the Arthur Gelan Composite High School. They number 39, they're in the east gallery, Mr. Speaker, and they're from grades 9 to 12. I'm looking forward to meeting them a little later for photos and some refreshments and probably some questions.

They're accompanied by Edla Pajunen, Marianne Delhommeau, Lynn Walz, Nancy Zimmer, and Ray Reiber. And I'm certainly looking forward . . . and if I've mispronounced any of those names, I apologize now because I'll have to do it later, I know.

Mr. Speaker, would you and the rest of the people assembled help me to welcome this group from Luseland.

Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Speaker, as you know, the constituency of Kindersley, because of the distance to Regina, seldom has school group visitors, but today we do have one. I'd like to, through you and to the members of the Assembly, welcome a group from the Elizabeth School in Kindersley seated in your gallery, Mr. Speaker, a group of grade 7 students. Their teachers are Lane Peterson and Dave Burkell. The chaperons are Cathy Knittle and the bus driver is Jim Baker.

Mr. Speaker, I'll be meeting with the group following question period this morning for a visit and a photo and refreshments, and I'd ask all members to help me welcome them here to the Assembly this morning.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Cumberland House Bridge

Hon. Mr. Goulet: — Yesterday, Mr. Speaker, on May 19, 1994, was an exciting, tremendous and outstanding day in the history of Cumberland House. The Government of Saskatchewan, in partnership with the people of Cumberland and the federal government, will be building the long-awaited bridge.

We thank the people of Cumberland House, the leadership of Cumberland, led by mayor Harold Carriere and Chief Pierre Settee, as well as the elected leadership that is there today, Mr. Speaker. And also the Cumberland Corporation.

We also thank Vic Althouse, the actual Member of Parliament representing Cumberland House. Yesterday when I was listening to . . . I was looking at the notes, Mr. Speaker, when the member from Greystone had said it was Mr. Kirkby who represented Cumberland House. It's actually Mr. Althouse who has been a strong supporter of the bridge. But we also, nevertheless, thank Mr. Kirkby on his role in this regard.

Now I think, Mr. Speaker, this bridge in Cumberland House has been promised, you know, by many governments. The dream of course was never fulfilled all these years. As a person that was born and raised in Cumberland House, as the MLA (Member of the Legislative Assembly) for Cumberland constituency, as a cabinet involved in the decision-making process, I really, really appreciate this historic occasion, Mr. Speaker, and thank everybody who was involved in the process.

Some Hon. Members: Hear, hear!

Moose Jaw Park Art

Hon. Mr. Calvert: — Thank you, Mr. Speaker. Mr. Speaker, this morning I would like to take this time to inform the House that Park Art is once again happening in Moose Jaw this Saturday, May 21.

Mr. Speaker, Park Art brings together from all over the province, artists, craftspeople, who display and sell their works in our beautiful Crescent Park. The variety of works, Mr. Speaker, in this display and sale is absolutely astounding. Everything from pottery, paintings, jewellery, woodworking, can be both admired and purchased.

This year to try and make Park Art attractive to the whole family, there will be a children's face painting area. And for everybody there will be lots of different food booths, Mr. Speaker, to be sure that no one will go hungry. In fact, Mr. Speaker, all members will want to know that both the member from Moose Jaw Palliser and the member from Moose Jaw Wakamow will be serving as cooks in the food booth tomorrow, along with some other high-priced help like the mayor of Moose Jaw.

Mr. Speaker, a number of local businesses have contributed this year in a variety of ways to make Park Art happen. However it is again sponsored by the Moose Jaw Art Museum National Exhibition Centre.

So, Mr. Speaker, I would like to invite all members to take time tomorrow to come to Moose Jaw and enjoy Park Art.

Some Hon. Members: Hear, hear!

Sask Forest Products Scholarship

Mr. Keeping: — Thank you, Mr. Speaker. Mr. Speaker, I would like to announce to the House that Saskatchewan Forest Products Corporation has

announced that starting this year they will be funding an annual scholarship of \$1,500 to be presented to a graduating student from either Carrot River High School or Hudson Bay Composite High School. The award will be given to students who have shown initiative and marked improvement in the last two years of high school. They must also have proven to be helpful in both school and community.

Saskatchewan Forest Products have decided to do this and to get involved in this program because they are committed to helping people in furthering their education in these changing times.

Once again I would like to announce to the House and in particular the students of Hudson Bay Composite High School and Carrot River High School that Saskatchewan Forest Products has announced this \$1,500 scholarship for starting this year, Mr. Speaker. Thank you very much.

Some Hon. Members: Hear, hear!

Kinsmen Band and Choral Festival

Mr. Hagel: — Thank you, Mr. Speaker. I'd like to inform the Assembly today about the 45th annual Kinsmen band and choral festival in Moose Jaw. Events started Wednesday with a beautiful choir competition at Zion United Church. Heavenly sounds were heard from 20 choirs, the highest number in competition's history.

Of interest to members, Mr. Speaker, superb accolades were expressed by national level adjudicator, John Trepp, to the Moose Jaw children's choir and Peacock jazz choir, both of which are establishing a national reputation.

Yesterday there were 83 instrumental soloists and 55 brass, woodwind and percussion ensembles who entertained the audiences as they performed at St. Andrew's Church and Peacock auditorium.

Today and tomorrow, Saturday, 25 concert bands compete at Peacock auditorium and Central Collegiate and 129 highland piping and drumming soloists compete in beautiful Crescent Park.

The finale of the festival is the ever-popular Main Street parade. Mr. Speaker, Moose Jaw loves a parade, and 25 to 30 marching bands and the local MLAs, I may add, will be parading down Main Street tomorrow at 2 p.m.

Mr. Speaker, I'd like to offer congratulations to Kinsmen organizer Russ McKnight and his crew, and to invite everyone to Moose Jaw this weekend to enjoy the beautiful sounds of the Kinsmen 45th annual band and choral festival.

Some Hon. Members: Hear, hear!

UNICEF Volunteer Honoured

Mr. Kowalsky: — Mr. Speaker, I take pleasure in

congratulating Fred Routley of Prince Albert, who, at the recent annual general meeting of the provincial UNICEF (United Nations Children's Fund) organization was named the Saskatchewan volunteer of the year.

Mr. Routley has co-chaired the campaign for several years through the Prince Albert chapter of superannuated teachers. And year after year, Mr. Routley spends many, many hours motivating many youth and adults to support this campaign. He has visited many schools, organized raffles, sold UNICEF cards and other merchandise and delivered collection boxes. And through his efforts \$12,353 was collected to aid the world's children.

The community and I would like to express our appreciation for all the work that Mr. Routley does on our behalf, and the leadership he shows amongst volunteers.

Some Hon. Members: Hear, hear!

Saskatchewan Council on Children

Mr. Kluz: — Thank you, Mr. Speaker. Today I am reporting on the work of the Saskatchewan Council on Children. The council's mandate is to advise government and the ministers participating in Saskatchewan's action plan for children on priorities for achieving the well-being of Saskatchewan children.

The promise of the action plan are that children are best cared for through their families and communities. The council's recommendations will therefore also relate to the well-being of families and communities.

The 25-member council consists of representatives from a variety of organizations who are involved in providing services to programs for families. They represent a broad range of sectors including health, recreation, education, justice, and social services, and come from various geographical areas of the province.

Particular attention has been given to ensuring Metis and first nation representation. Saskatchewan's action plan for children with over \$4.4 million to improve preventative, early intervention and support services, is a significant achievement for Saskatchewan. With our action plan and our Children's Advocate, children's services are receiving the attention required.

The council will play a key role in furthering the work of the action plan. The council is having its second meeting on May 27. Their work is challenging. We appreciate the time and expertise that council members are contributing to help the children of our province.

Some Hon. Members: Hear, hear!

National Seat-belt Week

Mr. Trew: — Thank you, Mr. Speaker. I want to remind my colleagues and all others that this is the start of National Seat-belt Week, and it is a very fitting time, being the start of the May long weekend when many of us will be making short trips. There's nothing that any of us can do that is more important this weekend, and at any other time when we're travelling, than to wear our seat-belts.

It's a very effective method of reducing injury and preventing deaths, and in particular, Mr. Speaker, I urge that children . . . that special attention be paid to children, not only this week but all the time, in vehicles. So I congratulate people for paying attention and wearing seat-belts — a very important thing.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Hospital Waiting-lists

Mr. Neudorf: — Thank you very much, Mr. Speaker. My question this morning is going to be toward the Minister of Health. And, Madam Minister, one of my constituents, a Mr. Harold Schuler, had a severe heart attack on April 25 and he has been informed that he requires emergency bypass surgery. He has had six arteries collapse, Madam Minister, and although his doctor is doing the best for him, he cannot get Mr. Schuler a hospital bed until mid-August.

Madam Minister, as waiting-lists for emergency operations get longer and longer, what are you doing to ensure that individuals like Mr. Schuler receive the immediate medical attention that they require?

Hon. Ms. Simard: — Thank you very much, Mr. Speaker. First of all, I can't respond to the individual situation; however, the member opposite should contact my office and we will take a look to determine whether or not everything . . . that it is proceeding normally.

I must tell the member opposite that the hospitals and the physicians prioritize emergency needs, or needs with respect to surgery, and if a person has an immediate need for surgery, they will have access to that surgery. But essentially there is a priority list and it's up to the individual's physician to make sure that if that surgery is needed immediately, that the person acquires it, because if they categorize it in that fashion, they will receive the surgery.

Now on the larger issue of waiting-lists, for example, we have had a committee review waiting-lists in Regina and look at the provincial scene. We have been advised that we do not have a situation in Saskatchewan that is of a crisis nature. There were recommendations made by this committee to the Regina Health Board to allocate beds with respect to specialists and it's my understanding that the Regina Health Board is working with the physicians and other people in the hospitals to implement the recommendations that were made.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Madam Minister, I'm talking about Saskatoon. And if you're hoping that normal procedures have been followed in this case, all I can say is heaven help us, Madam Minister.

Harold Schuler wanted to be here this morning, but he was afraid his condition would not allow him to make the trip. Now understandably Mr. Schuler and his family are very, very concerned; and quite frankly they are worried that he won't make it to mid-August.

And he has a question for you today, Madam Minister. Harold Schuler would like to know: do I have a right to live or not? Where are all the beds we taxpayers have paid for? That's his question.

Hon. Ms. Simard: — Mr. Speaker, we're very much aware of the stress and anxiety that people suffer when they are waiting for surgery or when they have a health condition that is of a serious nature. It causes us concern as well.

And with respect to this individual case, I would urge the member opposite to talk to the staff in my office. If he was really concerned about Mr. Schuler, he should have come to see us a long time ago and we would have checked to make sure that everything was okay from Mr. Schuler's point of view. So I'm suggesting that to the member.

However, I want to make this point. The priority lists are established by the physicians and by the hospital. And if the physician, his physician, feels he needs surgery immediately, his physician should advise to that effect and the surgery would become available through the hospital. Because it's my understanding that if surgery is needed immediately, it is available and there's access to it.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. My question as well is to the Minister of Health. Madam Minister, our office receives calls and letters every day . . . or every week from similar individuals as my colleague from Rosthern raises.

Helen Leach from Eston has been waiting for seven months for hip surgery and still doesn't have a surgery date set. And I contacted your office about these cases, Madam Minister. Because of her condition, Mrs. Leach is basically confined to her home.

Marion Cochrane of Carlyle has been waiting for 10 months for knee replacement surgery and is in great pain. Recently, she's been informed that she'll probably have to wait another six months, Madam Minister.

Madam Minister, when you started your health reform you said that your changes would improve services to Saskatchewan people. What do you have to say to these people today, Madam Minister, who are living in fear and in pain because they cannot get a hospital

bed?

Hon. Ms. Simard: — I want to point out to the member opposite, it isn't a question of not getting a hospital bed; it's a question, in many cases with respect to orthopedic surgery, as to the availability of a particular specialist. Some specialists in orthopedic surgery have very short waiting-lists. Other specialists may have long waiting-lists.

In fact, I remember when I was in opposition and the members were in government, one specialist had a waiting-list of over a year long for orthopedic surgery. So seven months is an improvement on the situation when you were in government.

Now, Mr. Speaker, obviously I've struck a sore point, Mr. Speaker. Mr. Speaker, we have, unlike the former government, had a committee reviewing waiting-lists and making recommendations to the Regina Health Board, particularly with respect to orthopedic surgery, and the Regina Health Board is working to implement those recommendations. And when those recommendations are implemented, it will have an improvement on waiting-lists.

I should point out that this government is paying more towards orthopedic surgeries than the former government.

Some Hon. Members: Hear, hear!

Expansion of Casino Gambling

Mr. Neudorf: — Thank you very much, Mr. Speaker. My next question is to the minister of gambling. Mr. Minister, yesterday you announced your plans for how your two casinos will be run and how the profits will be divided up. Once again you seem to be a little bit ahead of yourself in your mad rush to expand gambling in Saskatchewan. There's never been any public consultation or debate in this province as to whether the people of Saskatchewan want casino gambling, let alone how the casino should be run or how the profits will be divided.

Mr. Minister, a couple of weeks ago your government introduced new smoking and new drinking legislation and then they announced that the legislation would be tabled to allow time for good public consultation. And I say, good.

Will you follow the precedent that that legislation set and will you now be introducing, when you introduce this new casino Crown that you're talking about, will you introduce the legislation and then table it and allow for a full round of public consultation?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Thank you. Mr. Speaker, let me say to the member from Rosthern that the amount of consultation and the amount of discussion with respect to the expansion of the casino operations in this province has been almost endless it seems. Day after day in question period the Leader of the Third

Party, and yourself, and the member from Morse have had the opportunity to question us on the video lottery terminal program, on the expansion of casinos, on bingos, and other aspects. And I want to say, Mr. Speaker . . . horse racing, as well. And I want to say, Mr. Speaker, we welcome the dialogue.

Let me say with respect to legislation regarding the casino corporation, it will be introduced. There will be the opportunity for the member from Rosthern and others to question the operation of the casino corporation, and the dialogue with the general public will certainly be allowed as well.

Some Hon. Members: Hear, hear!

Mr. Neudorf: — Well, Mr. Speaker, all I can say is that's great. That's wonderful that you're going to have full, open public consultation before we do anything with that legislation that you're bringing forward. And I'll keep you at your word, Mr. Minister, that that is precisely what is going to happen. I'm glad to hear that.

But, Mr. Minister, I was concerned here that your government is tripping over its own feet in its haste to get their hands on that big pot, that jackpot at the end of this gambling rainbow. And it shows, Mr. Minister, how you're implementing the control of gambling in this province.

All we're saying is let's do it right, let's take our time so that we will do it right, and I'm very glad to hear your commitment along that line. Because, Mr. Minister, frankly there have been a lot of major problems in your introduction of gambling.

There've been introduction problems also with the introduction of the gambling machines themselves. You've hastily changed your policy on outside managers. The former minister, the Minister of Finance now, said that she would never allow outside managers. Now you are saying this is the route that you're going to be taking. Mr. Minister, your flying-by-the-seat-of-your-pants approach is not good enough, especially on a policy change that's going to have major implications to all citizens of this province.

Now why don't you slow the process down? And people, whether they want casinos . . . ask people whether they want them. Ask them whether they're going to be comfortable with your management plan.

Mr. Minister, why don't you consult with Saskatchewan people before you go ahead with your gambling plans? I was going to ask that question, but now that you have made that commitment that there will be a full round of public consultations, I don't have to ask the question.

The Speaker: — Order, order. Let the minister answer.

Hon. Mr. Lautermilch: — Mr. Speaker, I'm not sure if there was a question in there but there certainly was an endless range of rambling.

But let me say this. We have been at this process for almost three years now. The number of meetings that have been held with the general public have been many and wide-ranging. And I want to say, Mr. Speaker, that some of the comments that we have received from people like the chief of the Federation of Saskatchewan Indian Nations . . . and I want to quote for you, what this policy is about and what this will deliver. We're looking at investment in the neighbourhood of \$25 million in each of the two cities, Regina and Saskatoon. And I want to explain to you — because you don't seem to understand what this means for aboriginal people — and let me quote from some of the comments of Chief Roland Crowe:

It's the first time that we have jobs that we are creating for ourselves with the cooperation of government. It's the first time that there are this many jobs on the table.

And I want to go on. He says:

I think it gives us pride and we don't ask for hand-outs. What we want is an equal and fair opportunity and that's precisely what this agreement gives us.

Mr. Speaker, jobs and job opportunities for aboriginal people may mean little to the members of the opposition, but I want to say that the aboriginal people in this community are looking forward to the job opportunities and they support this government's initiatives with respect to development of casinos in this province.

Some Hon. Members: Hear, hear!

Labour Legislation

Mr. Goohsen: — I seek to warn the government of the devastating effects that their labour bills will have on job creation in Saskatchewan. Well, Mr. Speaker, I'm not too proud to admit that in one sense I was wrong. This legislation is creating jobs, but unfortunately the jobs will likely be created in Red Deer, Alberta.

Mr. Speaker, Clearlite Glass and Seal Tite Systems of Saskatoon have written the Minister of Labour blasting the government for their blind adherence to the union agenda, and indicating that businesses will have to look elsewhere.

Today we have received a letter from the city of Red Deer addressed to those two Saskatoon companies which reads, and I quote:

Thank you for inquiring about Red Deer as a possible location for your manufacturing plant.

My question is to the Minister of Labour: Mr. Minister, it appears that you and your labour Bills are about to create jobs in Red Deer, Alberta. Would you not agree that this is a small piece of the sky that has just fallen for Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — So far, Mr. Speaker, nobody has left. I recall these same comments being made when we last changed The Trade Union Act in 1972. I remember an individual company by the name of Smith Roles physically getting up and trouncing out of the province, only to come back a couple of years later.

I'm not suggesting that this legislation isn't of concern to business people. It is of concern to business people. I think, however, that is because they misunderstand the effects of the legislation. When the legislation is in effect and running, I think they will find that it is in fact a useful part of economic restructuring. So I think the implementation of the Bills will allay many of these fears.

Some Hon. Members: Hear, hear!

Mr. Goohsen: — Thank you, Mr. Speaker. Mr. Minister, we talked to the president this morning and he tells us that five head office jobs and from two to six manufacturing positions may be transferred out. It appears that between you and the member from Swift Current, we have two of the most ardent supporters of the Alberta advantage.

Mr. Minister, the letter that they sent to you in protest was not only signed by management, it was signed by the people who work there. Mr. Minister, I'm wondering if you will also be participating in the sod-turning ceremony in Red Deer should these companies decide to move out of Saskatchewan due to your government's incompetence and their intransigence.

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: — To say that the member has not offered any evidence that businesses are leaving Saskatchewan is to be very kind to him. What the member is attempting to do is to, I think, encourage businesses in their concern about the legislation.

I say again to the member that I think, notwithstanding your best efforts, notwithstanding the member's best efforts to create as much concern as you can in the business community, I think you and the others are going to find that in six months you're about as concerned about The Trade Union Act and The Labour Standards Act as you are now about occupational health and WCB (Workers' Compensation Board), about which you said last year at this time it would be the end of the Saskatchewan economy.

The Saskatchewan economy is doing fine, thank you. It is in a recovery stage and it will continue in a recovery stage notwithstanding the best efforts of the member from Maple Creek.

Some Hon. Members: Hear, hear!

Drug for Cystic Fibrosis

Mrs. Bergman: — Thank you, Mr. Speaker. My question is for the Minister of Health. Madam Minister, during the last year 120 cystic fibrosis patients in Saskatchewan welcomed exciting news. They now have hope against a disease which takes the lives of its victims at a young age by destroying their lungs.

The good news is a drug called Pulmozyme. It has been developed and registered for use in Canada. Pulmozyme is not a cure, but its effect on cystic fibrosis is comparable to what insulin does for diabetes.

Madam Minister, are you going to cover cystic fibrosis patients for Pulmozyme under the insurance plan to ensure that they won't be denied treatment because they cannot afford the \$12,000 annual expense?

Hon. Ms. Simard: — Thank you very much for that question, Madam Member. The process is . . . first of all it isn't the minister that decides whether or not they're going to cover a drug. The process is that a drug of that nature goes to a very highly specialized formulary committee that we have in Saskatchewan, which is recognized actually across Canada as being in the forefront. If that drug should go on the formulary and under what conditions it goes on, will be prescribed by that particular committee.

Now I will look into this particular drug that you've referred to, and I'll get you detailed information on whether or not this is at that stage; and if not, why not; and how we can get it there; and what the time frame will be, hopefully, before we have a response from the formulary committee. So I will look into it for you and I thank you for bringing up the question.

Some Hon. Members: Hear, hear!

Mrs. Bergman: — Thank you, Madam Minister. Pulmozyme was licensed in Canada earlier this year, and there has been some delay in placing this drug treatment under the health insurance plan. Can you explain the delay in placing the drug under the insurance plan?

Hon. Ms. Simard: — Well first of all, I have been sent some information when the question was raised here, which indicates that there is new information being reviewed by the formulary committee. Now I don't know the details of that; I will get you the details.

I'm also advised that what is happening in other provinces with respect to putting it on the formulary is being looked into by the department. So this review is in the process of taking place. Now as to whether or not there is a delay in the normal procedure, I can't comment. So I will have to get you that information.

Some Hon. Members: Hear, hear!

Health Board Elections

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Speaker,

my questions are for the Minister of Health as well.

Madam Minister, it was reported this morning that your one-man stalling tactic, named Garf Stevenson, has already pretty much ruled out fall elections for the district health boards. He hasn't even held . . . Madam Minister, he hasn't even held one meeting yet, but he is already saying that it's too late to hold elections this fall.

Madam Minister, this proves that the consultation process, like most of your government's consultation processes, are nothing but a farce. Madam Minister, why don't you save Saskatchewan taxpayers hundreds of thousands of dollars, call off this charade with Garf Stevenson, and get to work today ensuring health board elections are held this fall as you promised.

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: — Well we obviously know it's Friday, Mr. Speaker, because the member opposite doesn't matter — he can get his facts wrong on Friday because it's difficult for us to respond until Tuesday.

However we have indicated in this House before that we did not promise October elections. And I told the member opposite that. We said that that was the first available date, which is correct. But the member opposite persists in perpetuating this misinformation to the public.

Also I have been advised — although I did not hear Mr. Garf Stevenson's comments — that he essentially said that it was getting late for fall elections; however that in itself would not be the determining factor. There was still a possibility that existed.

And I want to repeat my position in this House. Mr. Stevenson is reviewing far more than when we will hold elections — far more than that. But the members opposite refuse to recognize that. The members opposite refuse to recognize that; Mr. Cholod refuses to recognize that.

Mr. Cholod, who indicates that the boards were up and running for two years, is not providing the correct information to the public. They've only been up and running for a few months, Mr. Speaker.

There are many issues to review before we proceed to elections. We may very well not even want to have them in conjunction with municipal elections; we may want to have them after that, on their own.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Madam Minister, Madam Minister, how can you say these consultations and Garf Stevenson's \$500-a-day fee are worthwhile expenditures of taxpayers' money, when the most important decision has already been made by Mr. Stevenson. There are a lot of people in municipalities who would probably like to go to these consultations and say that the election should be held

this fall, but what's the point, Madam Minister? The decision has already been made by Mr. Stevenson.

And now your government is going to spend \$200,000 to pretend that you're listening to the people of Saskatchewan. Why are you doing that, Madam Minister? If you're not going to hold the elections this fall, why don't you at least save the people of Saskatchewan \$200,000 for Garf Stevenson and call off, call off your phoney consultation process?

Hon. Ms. Simard: — Mr. Speaker, first of all, the consultations by Mr. Stevenson go far beyond when there will be elections. And we may very well not have fall elections. We have not ruled that out at this point, but the possibility of moving to fall elections is in question as I have said repeatedly in this House. And the members opposite know that.

They choose however to attack Mr. Garf Stevenson personally — to attack him personally. That is their way of dealing with people. They complain about the money he's being paid to do a consultation process with respect to a whole range of issues pertaining to elections.

It is only a short while ago, Mr. Speaker, that the members opposite were defending George Hill's million dollars, just a short while ago. And now they stand up here and attack Mr. Stevenson. I think that their approach to this whole issue has been absolutely narrow; it has been a personal attack. And they are refusing to look at what the bigger issue is, which is how do we proceed to these elections, what sort of eligibility criteria, is there some other way of doing these elections and with municipal elections, and so on.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Madam Minister, you're right. We attack these people and we'll continue attacking the Garf Stevensons and the Jack Messers and the David Dombowskys and every other political appointee of yours and patronage appointee in this province, Madam Minister.

Madam Minister, you say that the consultations are legitimate and that people will be listened to. Well, Madam Minister, I ask you this final question: Madam Minister, if the majority of people at these meetings say that the elections should be held this fall, will you guarantee that the elections, health district board elections, will be held this fall, Madam Minister?

Some Hon. Members: Hear, hear!

Hon. Ms. Simard: — Mr. Speaker, the issue is to determine when the most effective date would be — in the process of health reform — to move to elections, and what form of elections we are going to hold. Mr. Stevenson is less concerned about the date of the election than how the elections will be performed, and how and when it would be most effective. People working in the health care area . . . Mr. Speaker, the

members opposite clearly don't want to listen to the response.

People working in the health care area have advised, *en masse*, that moving to elections in the fall would be disruptive of health reform. The members opposite, however, want the elections this fall because they want to make it political and grandstand, and they don't have the . . .

The Speaker: — Order, order. The member from Kindersley, I thought had just asked a question. And no sooner does he sit down and the minister answers and he's constantly interjecting. Now allow the minister to answer the question. Order.

Hon. Ms. Simard: — Thank you very much, Mr. Speaker. Mr. Stevenson will advise us as to when he feels it would be most effective to proceed to elections. Mr. Stevenson will also advise us on a whole range of other matters because this is too important to do it without thinking it through carefully and it's too important to do it in a political fashion, as the members opposite want to. It's important that we do it fairly throughout the province in the interest of health care.

Some Hon. Members: Hear, hear!

The Speaker: — Why is the member on his feet?

Mr. Van Mulligen: — Mr. Speaker, with leave to make a brief statement concerning Charles Robert, our temporary Clerk at the Table.

Leave granted.

ANNOUNCEMENTS

Farewell to Table Officer

Mr. Van Mulligen: — Mr. Speaker, this is about Charles Robert, our temporary Clerk at the Table. Charles, this is his last day here. He joined us when Bob Vaive went on to British Columbia to take a position there. We are very fortunate that Charles was available to come back to Saskatchewan because he's been here on previous occasions to help us out. We will miss Charles, his well-informed and wise counsel at the Table.

His reason for leaving is that he is required, I understand, to begin work with two Senate committees — Foreign Affairs and Energy — next Tuesday in Ottawa. He's not leaving because this is the onset of mosquito season here in Saskatchewan. I know that all members will wish Charles well and to thank him for coming back to Saskatchewan to help us out. I hardly wish for any further future vacancies, Mr. Speaker, but should they occur we sure hope that he can come back to us again.

Thank you, Mr. Speaker.

Hon. Members: Hear, hear!

Mr. Martens: — Thank you, Mr. Speaker. I too want to join the member from Regina Victoria in saying to Mr. Charles Robert that we're not happy to see you go, we're just happy to have had you here as an opportunity to get to know you. You've been an asset in the Public Accounts Committee, giving us advice about various areas and what we'll be talking about later today in relation to the Public Accounts Committee, has been largely due to your initiative and I want to thank you for that. And I wish you the best as you go back to the Senate to deal with various issues that are going to be brought forward there.

Thank you very much for being with us and the best to you.

Hon. Members: Hear, hear!

Mr. Neudorf: — Thank you, Mr. Speaker. As the Opposition House Leader we obviously rely very, very heavily on the expert advice of the Clerks around the Table and Charles has certainly been invaluable as time has gone on. And I would certainly want to join with colleagues of the House in congratulating him for the appointment to the various Senate positions, and we wish him very well in his future endeavours.

At the same time I want to just give a word of caution to Charles as well, that not all Clerks from Saskatchewan that wind up in the Senate have all that longevity. I don't know the reasons why, Charles, but I'm sure you'll do well in your new position, so best of luck to you.

Hon. Members: Hear, hear!

Ms. Haverstock: — Thank you very much, Mr. Speaker. Well on behalf of myself and the third party, we too would like to add our good wishes to Charles Robert as he leaves.

I think one of the things with which we can all agree in this Assembly is the outstanding professionalism of the Clerk's office and the people who are within it, and the one thing that Charles did was to add to and reflect what we have been consistently able to receive from that office. We're very sorry to see him leave and we wish him well.

Hon. Members: Hear, hear!

Mr. Hagel: — Mr. Speaker, just briefly and not to repeat the accolades that have been expressed about Mr. Robert — with which I agree — having had the opportunity to serve at the Table and take advantage of Mr. Robert's advice, I'd simply like to put on record that I have appreciated his good humour and his common sense advice that he's provided, and to simply say that I think the Senate's gain will be our loss here at the Legislative Assembly of Saskatchewan, and how much I've appreciated the service that he's provided us here.

Hon. Members: Hear, hear!

The Speaker: — I would be remiss if I didn't say a few

words of congratulations to Charles for coming to Saskatchewan. I do want to let the members in on a secret, because many of you have been wondering. I've made a few decisions this year and some of you have not agreed with those, and some decisions were good ones. The good ones were because I relied on Charles's suggestions and advice, and the bad ones were when I didn't heed his advice. So some of you will be happy that Charles will be departing and others will be sorry to see him go.

I want to thank Charles very much. You've been a tremendous strength to the Speaker. And as I think one member said, he has a good sense of humour; he's very objective in looking at things. And I want to thank Charles very much. I hope that in the future, Saskatchewan can benefit again from having Charles here.

I want to wish you well, and thanks again, Charles, for coming here.

Hon. Members: Hear, hear!

ORDERS OF THE DAY

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 70 — An Act to amend The Legislative Assembly and Executive Council Act (No. 6)

Hon. Mr. Lautermilch: — Thank you. Mr. Speaker, I'm pleased to rise today to move second reading of Bill 70, An Act to amend The Legislative Assembly and Executive Council Act. This legislation is an important milestone on the road to democratic reform that this administration has taken since being elected just over two years ago.

Mr. Speaker, as you know, since we came to office we have undertaken many changes to increase the accountability of this legislature and of the cabinet. We have acted and will continue to protect the taxpayer to make this Assembly more accountable to Saskatchewan people.

Mr. Speaker, this Act builds upon these reforms. First it provides for an independent commission to review per diems, travel allowance, telephone allowances, constituency office allowance, communications allowance, and caucus allowances. In short, Mr. Speaker, it provides for an impartial review of all aspects of MLA pay and constituency office operations.

Mr. Speaker, this commission is important to government members because we believe the ethics and the accountability of all legislature members is of paramount importance.

Over the past several weeks, Mr. Speaker, the official opposition has introduced a series of proposed amendments to reform legislative practices. And I want to say to members of the opposition, I appreciate

their attempts and I believe that they should be congratulated for their initiatives. However, Mr. Speaker, the attempt, in our opinion, is ad hoc and does not address the fundamental concerns of the taxpayers, that we as government believe need to be addressed.

We believe that an independent commission needs to be appointed to deal with the whole range of issues on MLA pay. Mr. Speaker, we are acting to force change. And while I seek the support of all members, we are prepared to act alone if necessary.

Secondly, Mr. Speaker, this Act goes farther than just appointing an independent commission to study MLA salaries and constituency office allowances. It provides for a real mechanism for enforcing the rules of this Assembly that have been agreed to by members.

Mr. Speaker, with the passage of this Bill, the role of the Speaker as minister responsible for the Legislative Assembly will be formalized. Further to this, the power of that office will be increased.

Mr. Speaker, we have the ability . . . the Speaker, sir, will have the ability to enforce the rules of this Assembly. And that is a role that rightfully belongs with the democratically elected Speaker as president of this Assembly.

Finally, Mr. Speaker, in the case that a member disagrees with a decision, we have provided for a mechanism to involve the Conflict of Interest Commissioner who is appointed by resolution of this Legislative Assembly.

Mr. Speaker, this amendment provides the express legislative authority for the enforcement of the directives of the Board of Internal Economy.

In closing, Mr. Speaker, let me reiterate that this Bill provides real and effective change to the way this Legislative Assembly operates and the accountability of its members to each other and to the public. This Bill provides for an independent commission to review all forms of MLA salaries and all forms of constituency and caucus allowances. It provides for a real mechanism to enforce the rules of this Assembly and provides for an appeal mechanism to members for seeking a second opinion.

Mr. Speaker, this Bill is fair to the public, it's fair to the members, and it's fair to the principles of democratic reform. Therefore, Mr. Speaker, I'm pleased to move that a Bill to amend The Legislative Assembly and Executive Council Act be now read a second time.

Some Hon. Members: Hear, hear!

Mr. Swenson: — Thank you, Mr. Speaker. Mr. Speaker, this morning I would like to congratulate the minister for bringing forward a Bill that deals with matters which we have considered to be very serious for a long time.

As the minister mentioned, the official opposition, the third party, have brought forth proposals in this House to be discussed and be debated because these issues affect all of us in a way that at times is very deep and very personal; at the same time, respecting the public's need to know and understand what we do with our money, how we spend their money, and how we deal with issues of propriety and substance as members of this House.

I agree with the minister that the independent commission is an absolute must; that we as legislators must be perceived by the public as being above board with our allowances and our expenditures; that the issues that have arisen over the last session of this House even are issues that rightly so must be dealt with in a right and proper forum.

And I was very pleased to see in the legislation that the government has brought forward that the Leader of the Opposition, the Leader of the Third Party are part and parcel of that process, that there is consultation and it is an all-party effort to do things in this Legislative Assembly.

I would like to say, Mr. Speaker, that on the issues of how members are dealt with that we do have some concerns. I don't believe they are significant enough to stall or to cause a major problem with this Bill. I think they're the kind of issues that all parties should sit down and discuss. And certainly, we have the third reading part of this Bill where that is the right and proper place to have discussion, amendments, that type of thing that people can feel comfortable with.

And as members, regardless of party stripe, at the end of the day we have to be comfortable with that process, that we as individuals can go to yourself, Mr. Speaker, we can go to our Conflict of Interest Commissioner, we can go to our Board of Internal Economy, with the confidence that our issues will be adjudicated in a way that we perceive to be fair and above-board.

And I think if all members think about that for a while, that we will come up with the right and proper solutions for this House to present to the public. So for that process to carry forward, Mr. Speaker, I would move adjournment at this time, and we will carry on with those discussions through the next days and weeks.

Debate adjourned.

Mr. Martens: — Mr. Speaker, in consultation with the House Leader and his recommendation, by leave of the Assembly, I ask that we proceed to Bill No. 71 under private members' public bills and orders.

Leave granted.

PRIVATE MEMBERS' PUBLIC BILLS AND ORDERS

SECOND READINGS

Bill No. 71 — An Act to amend The Provincial

Auditor Act

Mr. Martens: — I move that Bill No. 71, An Act to amend The Provincial Auditor Act, be now read a second time.

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

(1100)

COMMITTEE OF THE WHOLE

Bill No. 71 — An Act to amend The Provincial Auditor Act

Clause 1

Mr. Martens: — Thank you, Mr. Speaker, I just want to make one observation about the process. The process had to do with a recommendation by the Public Accounts Committee, unanimously agreed to. The vice-chairman, myself, and the Leader of the Third Party, put together, with the direction of the Clerk's Table, Mr. Charles Robert, and we want to thank them for their involvement.

We also want to say that the Bill will provide an opportunity for the auditor to table, through the Assembly, similar to the Crown Corporations Committee, actions that are taken and reports that are made by the auditor, and that's the scope of the Bill and I appreciate very much the opportunity to have had the opportunity to present the Bill to this Assembly.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

The committee agreed to report the Bill.

THIRD READINGS

Bill No. 71 — An Act to amend The Provincial Auditor Act

Mr. Martens: — I move that the Bill be now read a third time and passed under its title.

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

ADJOURNED DEBATES

SECOND READINGS

Bill No. 47

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Goulet that **Bill No. 47 — An Act to amend The Saskatchewan Government Insurance Act, 1980** be now read a second time.

Mr. D'Autremont: — Thank you, Mr. Speaker. This

particular Bill does not have a lot of substance in it. While it's important to SGI (Saskatchewan Government Insurance) that this particular change be made, it's not going to have a great impact on the province of Saskatchewan.

The reason that this Bill is brought forward is because SGI was trying to spin off subsidiary companies and yet the auditor's report reported that that was not legal and so SGI had to bring those subsidiaries back into SGI proper. And this piece of legislation will allow SGI to again have subsidiary companies which would report to SGI. That opportunity is already there for the Saskatchewan Auto Fund but it was not there for SGI.

So, Mr. Speaker, this is not a major change in events of Saskatchewan's history, therefore we don't have a lot of problems with it going to Committee of the Whole at the present time. Thank you.

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

Bill No. 66

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Atkinson that **Bill No. 66 — An Act respecting the Superannuation of Teachers and Disability Benefits for Teachers** be now read a second time.

Mr. D'Autremont: — Thank you, Mr. Speaker. Again, this is not a Bill that will have a momentous impact on Saskatchewan, although teachers in the province are very, very interested in this.

The teacher's pension came into place sometime during the 1930s, about 1935. At that particular point in time, it was funded . . . the monies collected from the teachers went into the Consolidated Fund and the Consolidated Fund turned around and paid back out to teachers, whenever they retired, their benefits.

The previous administration changed that to allow teachers to administer some of these funds themselves. The funds that were collected at that time went into a separate fund which the teachers administered, and this carries on that stance, Mr. Speaker.

We're prepared to let this go to committee and we'll discuss the particulars of the Bill in Committee of the Whole. Thank you.

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

COMMITTEE OF THE WHOLE

Bill No. 7 — An Act to amend The Research Council Act

Clause 1

Mr. Neudorf: — Thank you very much, Mr. Chairman. I should explain the reason the minister does not have any officials here is not that he's lax in his duties at this time, it was my commitment that the previous times that this estimate has been forward — I did ask questions on the SRC (Saskatchewan Research Council) — I was satisfied with the officials' and the minister's response at that time. I have no further questions and would be prepared to let this estimate go.

Hon. Mr. Lingenfelter: — Mr. Chairman, just so anyone who is watching should realize that questions have been asked extensively on this, privately and in the House, so we actually completed the committee work on this Bill.

Clause 1 agreed to.

Clauses 2 to 6 inclusive agreed to.

The committee agreed to report the Bill.

Bill No. 67 — An Act to amend The Crown Corporations Act, 1993

Mr. Chair: — I recognize the Hon. Associate Minister of Finance and would ask that he introduce his officials to the members of the committee.

Hon. Mr. Penner: — Thank you, Mr. Chairman. With me this morning is Scott Banda, the counsel for CIC (Crown Investments Corporation of Saskatchewan).

Clause 1

Mr. Martens: — Thank you, Mr. Chairman, and Mr. Minister. I have just a number of questions. One of the questions that I have in regards to this Crown Corporations Act change is the definition of an indemnity as it relates to the changes that you've made and the expansion that you've made as an indemnity and the impact that it has in the area of indemnity not only means being able to use it as a function of a guarantee or something similar to a guarantee, but it also includes in its definition, as I look through the dictionary, for actions against the Crown in the past. And that's a part of the definition in a **Webster's Dictionary** and I was wondering if that related to any of the definitions that you would place on the word "indemnity" as it relates to this Act and its involvement in relation to negotiations that you're taking in dealing with various Crowns.

Hon. Mr. Penner: — Thank you, Mr. Chair. To the members opposite, I sort of anticipated this question, somebody would want to have a definition of indemnity, as how we define it and how we interpret it in this particular Act. And I would take a minute or so, Mr. Chairman, to describe how we interpret the indemnity here.

Let me start off, first of all, by describing what we interpret as a guarantee, and I'll use an example here and I'll use . . . I don't know if I can involve the Chair in this or not, but I'm going to use him anyway unless he

objects to this.

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But if the Chairperson decides to take a loan from a bank and his credit rating isn't all that good, he comes to me and says, I'd like you to guarantee this loan. Then, as anticipated, he defaults on his loan; the bank then goes after me. That's a guarantee. I have to pay the bank directly and that's a normal loan guarantee, and I think we all understand that. As parents, many of us have guaranteed loans for our children; some of us I'm sure have paid; others may have been more lucky and have not had to pay, but unfortunately that's the circumstances of life.

The indemnity, however, flows a little differently. If the Chair made a deal with the bank . . . (inaudible interjection) . . . with the credit union, as my colleague suggests here, makes a deal with a financial institution and if I provide an indemnity to the Chair for this particular loan, and if something goes wrong — the project fails and the money is called on the bank, or the financial institution calls on the money — then the Chair has to pay the financial institution and the Chair comes after me for the indemnity.

So the difference, fundamentally, is that in one case, if I guarantee, I will pay the financial institution directly; in an indemnity, there's an intermediate person who has to pay the financial institution, and then in turn, that person comes to me, if I've indemnified him, then I will . . . fundamentally, I guess we can say that I will keep him safe from loss in that situation.

And the reason we're asking for this wording change in the Act is so that it broadens the scope on which we can negotiate. And we're not particularly anticipating specific deals here, but we want to broaden the scope so that if it comes up, we're not going to be caught without having the proper ammunition so that we can do this.

(1115)

Clause 1 agreed.

Clauses 2 and 3 agreed to.

The committee agreed to report the Bill.

Hon. Mr. Penner: — Thank you, Mr. Chair. I'd like to thank my counsel here, Scott Banda, for the very valuable advice that he gave me in answering the question that the member asked. We had sort of anticipated that. And I'd also like to thank the member for asking the question because I think it helped to clear up for all those listening and the people in the Assembly exactly what we're trying to do here.

Mr. Martens: — Thank you, Mr. Chairman. I want to thank the official for his attention, and probably the work that he did prior to this was significant in relating the matter to the Assembly and dealing with establishing the Bill in the first place as an amendment, and I thank you for that.

Bill No. 64 — An Act to amend The Credit Union Act,

The Chair: — The Bill will be handled by the Minister of Justice. And I would ask if the Minister of Justice has any opening remarks he'd like to make, that he do that now.

Hon. Mr. Mitchell: — No, Mr. Chairman, I suggest we proceed with clause by clause.

Mr. Martens: — Mr. Chairman, and Mr. Minister, we have no substantive objections to this Bill.

This Bill provides for regional election of credit union directors. Does this refer to the election of directors within each credit union, or the election of directors for Credit Union Central?

Hon. Mr. Mitchell: — We're talking about the election of directors for each credit union and not for Credit Union Central.

Mr. Martens: — Mr. Chairman, and Mr. Minister, you referred in second reading to the cumbersome and in some cases, unfair system of selecting directors that is used at present. Could you outline for us this current system and some of the problems that have been encountered, and then compare it to what you're doing?

Hon. Mr. Mitchell: — The present system is not very satisfactory, and I'll outline it as the member has requested.

The situation arises where a number of smaller credit unions have merged into a larger one, or formed a large one, and there are examples in the Swift Current area that the member will be aware of. In the new, merged credit union they are very anxious to have representation from the areas where there used to be a small credit union which has been absorbed into the larger one or merged with the larger one.

Under the present Act, they have no way of guaranteeing this result, so the situation is one of where they try to manipulate the process in such a way as to assure that there will be directors elected from each district. They go out, and in effect, elect a director in the smaller centre, and then they bring that name to the annual meeting of the larger centre to try and ensure that that director is in fact elected.

Now that happens, but it's not guaranteed in any way. And that's why I say it has that kind of a manipulative quality about it, because you have to be quite . . . do a lot of lobbying and a lot of advance work to try and assure a result that we now seek to do directly by legislation, by allowing for the direct election of directors from the smaller districts.

Mr. Martens: — This, Mr. Minister, comes at the request of the Credit Union Central. Have you taken any steps to ensure that the local credit unions are in agreement with this? Have you asked them?

Hon. Mr. Mitchell: — Yes. We haven't done a formal

process, but we have been aware of the problem for a long time as a result of our conversations with various credit unions. And we know that it's not just a Central idea, that it flies, that it is an idea that is most topical, in some of the districts directly concerned.

Mr. Martens: — Mr. Chairman, and, Mr. Minister, the Bill gives the credit unions the ability and the responsibility to make by-laws related to district boundaries and election procedures for directors.

Are there checks in place to ensure that the rules for these elections are fair, democratic? For example would credit union members be able to appeal to the minister if they felt their local election rules were conducted improperly?

Hon. Mr. Mitchell: — I don't have the entire Act with me as I sit here so I'm not certain of the appeal procedures. But I do know that the voting provisions of the legislation are quite comprehensive, and that if there is any departure from the requirements of The Credit Union Act, 1985, there would be methods of enforcement in that Act by any members who were unhappy with it.

The provisions are, as the member will know, quite extensive and explicit. And it has been our experience that the credit unions are very democratic organizations and are very mature organizations. And we don't anticipate any trouble in them conducting the kinds of elections that will be conducted as a result of the passage of this Act.

Mr. Martens: — Mr. Chairman, and, Mr. Minister, the Act has a significant amount of changes that deal with . . . numbering changes that deal with a number of other Acts — The Co-operatives Act, The Securities Act, The Investment Contracts Act. I appreciate that the references remain the same only with different numbers. However, getting off the topic of this particular Bill slightly, could you tell us if the changes of these Bills which necessitated these renumberings have any significant impacts on The Credit Union Act in general.

I'll run that by you again. I appreciate that the references have remained the same, only with different numbers. However, getting off the topic of the Bill, could you tell us if changes of this Bill which necessitated these renumberings have made any significant impacts on The Credit Union Act in a general way.

Hon. Mr. Mitchell: — The answer, Mr. Chair, is no. The amendments that the member refers to are technical and are simply trying to keep up with changes to other Acts and keep this Act relevant as a result. But there is no change of any substance whatever contained in this Act.

I think that probably the most significant one is certified mail or Canada Post priority courier after registered mail in section 233. That's just a different method of doing the same thing.

Mr. Martens: — I wonder, Mr. Chairman, and Mr. Minister, on that very issue whether the . . . and I had thought about that question, why wasn't fax machines . . . why weren't fax machines included in that reference as a part of communication?

And as I understand it, there are going to be a whole lot more advanced technology in this area as it relates to the post office even. I understand that there's going to be huge changes in how mail is going to be delivered in the next year or two in relation to transmission of information by fax and by even the mail service delivering those issues that way. Can you comment on that, please?

Hon. Mr. Mitchell: — Well, Mr. Chair, that's a very important issue. The technology is moving so quickly. We have not got to the point in this country where fax machines are accepted yet. Apparently the possibilities for forgery are still a concern and there are people all over this country giving a lot of thought to that so that we could move on to the next stage for the service of documents.

There are other possibilities too, a computer-related e-mail and other ways to use the highway — the famous highway that we hear so much about these days — and I believe that they're coming. I believe that in the next year or the year after, we'll be in this House with a series of amendments to permit other methods of service, but we're just not at that stage yet. We're this far, but not further.

Mr. Martens: — I have personal information that relates to NCR being involved with post offices in the country, and they're providing those services and they're getting ready, I believe, for some 1,200 post offices to be involved in those. And those kind of deliveries will be a part of this overall transition and that could happen within the next year. And that is significant.

And so if you're taking that as a part of an overall strategy for the government to be dealing with that, and you have raised a legitimate observation about the very fact that, is this a legitimate signature on an individual's fax and is that a proper format to use, those are all things that have to be taken into consideration. And perhaps that has to be dealt with in the next session or in short order anyway.

So I want to say to you, Mr. Minister, thank you for your time and I appreciate your answers.

Clause 1 agreed to.

Clauses 2 to 13 inclusive agreed to.

The committee agreed to report the Bill.

THIRD READINGS

Bill No. 7 — An Act to amend The Research Council Act

Hon. Mr. Mitchell: — Mr. Speaker, I move that this

Bill be now read a third time and passed under its title.

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

Bill No. 67 — An Act to amend The Crown Corporations Act, 1993

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

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

Bill No. 64 — An Act to amend The Credit Union Act, 1985

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

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

(1130)

COMMITTEE OF FINANCE

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

Item 1

Mr. Goohsen: — Thank you, Mr. Chairman. I'll just be a few minutes and then the member for the Liberal Party I see wants to get a few questions in, so we will try not to dilly-dally too long here.

I do have a couple of important questions to ask the minister before we get on any further with the Highways.

First of all, one of my colleagues is very concerned about the condition of Highway No. 42. And I wonder if you would put that into your thoughts for a minute and give us a bit of a report on what you're going to do to alleviate the problems on Highway No. 42 — some very serious situations occurring on that road as a specific problem.

Then I want you to also move your mind to the operating authority for trucks in our province, which I believe is under the jurisdiction of the Department of Highways, and there's a bit of a licensing process that goes on that allows people to do trucking in certain areas at least.

And it appears, from a call that I've had this morning from Wild Streak trucking, that Sam's trucking, of Swift Current and Estevan, has the monopoly to move equipment in the oilfield, at least, moving rigs and that sort of thing.

Wild Streak trucking is a small company that is trying to operate out of a small town of Golden Prairie. The owners are trying to make a living for their family. They're not trying to take over the whole province; he assures me he wants only to get permitted enough to

be able to sustain his operation.

And he's wondering why these monopolies are so tight and why there isn't the allowance of some competition in that area, and why he hasn't been able to get an opportunity to be able to do some trucking, I guess especially in the south-west corner.

So perhaps you could explain to us how that process works and what his chances are of being able to break the monopoly hold that Sam's seems to have on that area.

Hon. Mr. Renaud: — I would like through Mr. Chairman to thank the member for his question. If you could get me the information on this particular situation, I would be more than happy to check into it.

Mr. Goohsen: — Could you get your mind back to Highway 42 as well, Minister, and tell us what's going on there?

Hon. Mr. Renaud: — Through Mr. Chairman to the member from Maple Creek, I thank you for that question as well. It is my understanding that department officials will be meeting with the rural municipality on June 8 — in fact I believe the city, as well.

I'm sure that the member's aware that AgPro Grain is located on that highway and that highway is very important to that grain delivery point. The recent decision by the Canadian Wheat Board has increased traffic dramatically. Along with that, the moisture of last fall and the extreme cold weather that we had was very damaging to that road.

I want to say that the additional grain handling that's happening there has definitely increased ... or reduced the turnaround time on grain cars which helps the agricultural industry extensively. But we're always concerned in this province that efficiencies to grain handling has to also take into account our highway system and the municipal road system. And we continue to make that argument to the federal government. And so hopefully, at some point in time, proper efficiencies will look at not just transferring costs but actually involving producers and municipal land, provincial road authorities.

Mr. D'Autremont: — Thank you, Mr. Deputy Chairman. Mr. Minister, like a good number of people in this Assembly, my constituency has some problems with highways also. I have a number of highways that are in serious need of repair and maintenance, but one highway in particular I would like to bring forward to your attention is Highway 13 between Stoughton and Arcola.

Now perhaps the member from Weyburn has brought this to your attention also, but the highway straight east of Stoughton is in very poor shape, it's quite rough, and it was breaking up this spring. Now I know that the maintenance crews have been out there and have patched it up, but this is still a very major concern for the whole area. I've had representations

from the communities along the highway; I've had representations from the hospital at Arcola because of the difficulties in transferring patients across that particular stretch of highway.

Is the department looking at making any maintenance, any upgrading on that particular stretch of highway? Combinations of 33 and 13, Mr. Minister, seem to be the most heavily surveyed stretches of highway in the province, and yet nothing is done about it.

Now I believe I know the reason why those surveys are done; it's people coming out of the university and out of tech are using those particular stretches of highways for their studies. But when the citizens of the province drive up and down that highway they think something is actually going to happen, and yet nothing ever does.

So, Mr. Minister, what considerations are you giving to repairing the stretch of highway from Stoughton east to Arcola?

Hon. Mr. Renaud: — Thank you, through Mr. Chairman, to the member. We agree that Highway 13, the Stoughton to Arcola area, is in need of rehabilitation. As you are also aware, we continue to work little by little on the highways across the province because of our financial situation in this province. And so, as finances allow, we will certainly take Highway 13 into account.

Right now we prioritize our highway construction and rehabilitation based on traffic counts, as you are well aware, fatalities on a particular section of road, and accidents on a particular section of the road.

So we are concerned, like you are, and are the people in the Arcola-Stoughton area. And as finances allow, we will certainly work on that section of road. I want to say too that we are doing a section of seal-coating from Redvers to Carlyle in this fiscal year.

Mr. D'Autremont: — Thank you, Mr. Minister. I'm pleased to hear that. And if it comes down to a matter of politics, I believe the people in my communities would be more than prepared to allow the member from Weyburn to take credit and start building the highway from Stoughton east in his part of the constituency. But as long as the road was to receive some upgrading, they're prepared to accept it starting at either end.

Mr. Minister, I brought up another issue to you after the SARM (Saskatchewan Association of Rural Municipalities) convention and that was dealing with oil access roads, concerning the regulations of oil access and how close together oil access roads could be built. I wonder if you could give me an update on that information, please.

Hon. Mr. Renaud: — Thank you to the member opposite for the question. Oil access roads are very important of course in your constituency. We fund oil access roads as a designated road and it's covered . . .

the province's portion is the basic plus 25 per cent. Generally the acceptance levels is every four miles. But depending on special circumstances in an area where there is a lot of activity, we will certainly look at more frequent participation on roads that do in fact have access to the oil area.

Mr. D'Autremont: — Well thank you, Mr. Minister. When you say more frequent, how close together could oil access roads be? My particular RM (rural municipality) in conjunction with Moose Creek — or is it Moose Mountain; one of those two — have oil access roads they would like to build and they would be a mile apart. They could put them in a mile and a hundred yards apart because the gore is right where they want to build.

So, Mr. Minister, is one mile acceptable? Because there is a very much . . . a lot of heavy traffic in that area. There's a significant amount of drilling going on where this particular road is taking place and the three RMs involved are quite interested in having this opportunity.

Hon. Mr. Renaud: — Thank you to the member opposite for his question. Of course again I stress to the member opposite that we have some financial concerns in this province and it's very difficult to look at help indeed closer than a mile apart and, in fact, a mile apart. So we try and allow the expenditure as fair as we can, but within what we can handle.

But I want to say to the member opposite that if the RM has some questions they certainly should get a hold of the district engineer in that area and discuss that with them.

Mr. D'Autremont: — Well thank you, Mr. Minister, the RMs have indeed talked with your department and that's why I was bringing it up today, because the answers they received were not those that they were looking for.

My RM also brought up another issue that they were quite concerned about, and I talked to you about this earlier, is about permits for heavy hauling within an RM. The RM was interested in having the authority to issue a permit; not a permit by which they would collect any fees or a permit by which they would restrict heavy hauling through their jurisdiction but rather a permit by which they could direct — use this road and not that road — so that access would still be allowed through the RMs but if they had a particular stretch of road that was soft or newly constructed and they wished to only maintain light traffic on it, that they could direct vehicles around it.

The problem that arises is heavy traffic moving through the areas. They don't necessarily know that it's occurring and therefore they can't instruct the haulers to use a particular road rather than something else. And they were wondering if it would be possible to institute some sort of a permitting system that when rigs are moved through an area, that the RMs would somehow be notified.

Hon. Mr. Renaud: — Thank you to the member opposite for the question. In fact you did indeed bring that up with me earlier. I have the department checking that out but, as you are probably aware, the RM does have a right to ban now on soft roads. And they also have a right to issue permits based on where trucks should or not travel.

(1145)

Mr. D'Autremont: — Well, Mr. Minister, the RM's concern is not so much banning a road. They don't mind one truck going down it. But when you start moving a rig and you have 20 or 30 heavy trucks moving through an area, they may not even know about it. And that's what their main concern was, was first off to have the knowledge that this heavy traffic was going to be going through the area. And secondly, to try and designate, use this road and not that road. Because when the hauling is taking place, it doesn't always necessarily go by the most logical route or by the shortest route. Because some pieces of equipment will travel at a different rate of speed than other pieces of equipment, so the trucks sort of fan out and then fan back in to their location.

And the RMs would like to be able to say, please use this road and not that road. And that's what the permit that they are looking at or looking for would give them — this ability to do that without actually having to ban the road.

Hon. Mr. Renaud: — Thank you to the member opposite for the question. He will probably be aware that if you are overweight you do have to get a permit from the rural municipality.

But the department are looking at the concern that you brought to me in this regard where you're suggesting that when an oil rig is moved that they go to the RM to get a permit even though they're not overweight, so that the RM has knowledge of where they're going to be travelling.

The department is looking at that presently. They're going to be talking to SARM about that. And so we continue to look at your suggestion and I appreciate your suggestion.

Mr. D'Autremont: — Thank you, Mr. Minister. I appreciate that and I'll pass that on to my RM.

Your reply though brings forward another question. You say that an overweight permit, they have to go to the RM. Cannot the trucking company apply to the provincial Highway Traffic Board or to a provincial body for an overweight permit and therefore do not need to provide that kind of information or that kind of request to the RMs?

Hon. Mr. Renaud: — Thank you to the member for his question. It is my understanding that if an oil rig, for an example, is moving between two RMs, then he would go to Highways for the approval, the permit. If he is moving within a rural municipality he would do that with the rural municipality.

Mr. D'Autremont: — Thank you, Mr. Minister. It seems that most overweight rigs are moving from municipality to municipality and the RMs themselves have a great deal of difficulty finding out until after it happens.

I'd like to carry on a little bit where my colleague was travelling in the operating authorities. I wonder if you could give us an explanation of the procedures involved when a trucking company wishes to establish itself in a particular area in which other companies are already operating. What are the procedures that they have to go through?

An Hon. Member: — What's the criteria?

Hon. Mr. Renaud: — Thank you to the member opposite for his question. Operating authorities, of course, would be given by application through the Highway Traffic Board, and there would be hearings if that was determined necessary. Interprovincial trucking is fairly deregulated at this time in that it's mostly a safety and fitness approval that they would need to enter a market, and transportation to out of province, or out of province into the province, is deregulated at this time.

Mr. D'Autremont: — Thank you, Mr. Minister. So actual fact you're saying that, inside the province, interprovincial travel is much more regulated than inner-provincial travel is then. Mr. Minister, I've had, like my colleague, companies who have been trying to start up in the hauling industry and yet have run into a great deal of difficulty in trying to proceed.

One particular company has gone to hearings a number of times now and been rejected. They've had difficulty in finding out the reasons for their rejections. I believe that there is a timetable set up there.

I wonder if you could outline the hearing process, and the appeal process coming from that.

Hon. Mr. Renaud: — Thank you to the member opposite for his question. The process would be an application to the Highway Traffic Board, then it would get gazetted, and then would be an opportunity to express opposition. And if the board felt that there was reason for a public hearing they would have that hearing, and would then make a ruling in the best interest of the people of Saskatchewan.

We in Highways have had the opportunity to study transportation issues in the province of Saskatchewan and we do have a committee set up with SUMA (Saskatchewan Urban Municipalities Association) representatives and SARM representatives and the Department of Highways officials and they are looking at this area in particular and I expect to review that report very shortly.

Mr. D'Autremont: — Thank you, Mr. Minister. You mention the hearings that can take place and that opposition can then be presented. Who is entitled to present opposition? And what kind of information do

those who are presenting opposition to it have to provide to the committee? And how is that information evaluated?

Hon. Mr. Renaud: — Thank you to the member opposite for his question. The Highway Traffic Board is a quasi-judicial board and there is no restrictions on who can submit a concern or, for that matter, support. Usually I believe, it would be firms that are concerned with losing their market share perhaps or a concern about the carrier that is making application.

There may be submissions by shippers who would like more access to a particular area. Or there may be in fact presentations made by people that receive goods, stores in a community or garages or whatever, that maybe feel that their service is adequate at this time or maybe they feel that it is inadequate at this time.

So there is no restrictions and I want to say again that the Highway Traffic Board is a quasi-judicial board.

Mr. D'Autremont: — Thank you, Mr. Minister. Does this board take into account the competitive nature of any opposition that may come forward? If a new trucking company is trying to move in to a market, I'm sure that most of the other competitors in the area would feel that they are adequately serving the customer base and therefore there is no need for another competitor in the market. A significant portion of their opposition would therefore be based on their own self-interest, that another competitor would either drive down the prices or take away the business from them.

So what consideration does this board take into account when those kind of competitors are coming forward? What kind of arguments can the opposition provide that would be significant in the eyes of the board to make a determination whether or not a new firm should be allowed into the business?

Hon. Mr. Renaud: — Thank you to the member opposite for his question. Certainly I believe competition would be one of the things that the Highway Traffic Board would want to weigh. Certainly I believe their main concern would be the needs of the people, what in fact other firms are saying, what in fact shippers are saying, what in fact the people receiving their goods are saying.

The Highway Traffic Board, as you would know, sets the maximum rate that can be charged on a particular good. Most of these rates now are under that maximum, showing that there is competition. A lot of the competition are from companies carrying their own goods. So there is . . . competition certainly would come into the picture but there are many other issues that the Highway Traffic Board would determine.

Mr. D'Autremont: — Well thank you, Mr. Minister. Perhaps I should become a little more specific in what my questions are aiming at.

In Arcola a company was trying to get into the field of hauling drilling rigs. The other companies in the area were entirely in opposition to them coming in because it would dilute the market for everyone. So in a lot of cases their arguments in opposition were simply the fact of another competitor coming into the market.

Now I don't know whether the Highway Traffic Board regulates the charges and the fees that can be charged for hauling drilling rigs — perhaps you can explain that — but what kind of reasonable, logical arguments can someone who is opposed to having this happen, having a new competitor come into this field, present to the Highway Traffic Board that the Highway Traffic Board would reject a new application?

(1200)

Hon. Mr. Renaud: — Thank you to the member opposite for his question. I guess first of all I want to say that the particular rig mover that you're talking about, you know, I'm not aware of that. But I would suggest that he certainly should look at some shipper support if he hasn't done that already. But I want to say, I as minister cannot judge what the competition is or whether all the companies can survive in a particular area.

The Highway Traffic Board, I believe, would take this into consideration, listening to the concerns of others that are in that particular business. It's a quasi-judicial board, and certainly I as a minister wouldn't get involved in that. There should be no political interference in that. It should be done through the Highway Traffic Board; that's the right place to make that kind of argument.

Mr. D'Autremont: — Thank you, Mr. Minister. I don't believe I had suggested that perhaps there was or should be political interference in this. I was more concerned as to what the criteria was that the board looked at in making their determinations when it comes to accepting or rejecting a new application.

You mentioned earlier safety and fitness. Now what part would that play in the determination to accept or reject a new applicant for this type of an industry?

Hon. Mr. Renaud: — Thank you to the member opposite for his question. If the particular applicant was seen to be unsafe by the Highway Traffic Board or uninsurable by the Highway Traffic Board, then they would not receive an authority. The quasi-judicial Highway Traffic Board determines authorities on public interest and this is very broadly defined. So safety, insurance, and the needs of the people in that particular area are all considerations of this board.

Mr. D'Autremont: — Thank you, Mr. Minister. After a determination has been made by the board to either . . . to reject an application, what is the appeal processes that are in place and what time frames are involved?

Hon. Mr. Renaud: — Thank you to the member opposite for his question. I can't answer that at this

time, but I'll certainly get the information for you.

Mr. D'Autremont: — Thank you, Mr. Minister. I believe there is an appeal process. And I'm not exactly sure what the time frame is for people to file an application. I believe it's about 30 days.

But when a determination is made, there's also a time frame, I believe — and you can enlighten me on this — that the reasons for a rejection are to be back into the hands of the applicant, I believe, within 20 days. And in the particular case that was brought forward to me, that was not happening, Mr. Minister. They did eventually get the information, a partial explanation. It went to an appeal and again they were rejected. Again there was supposed to be information passed on to them within a certain period of time, and again, Mr. Minister, that did not happen.

I think that if there are rules in place, if there are time frames in place, that they should be enforced, they should be carried out, and the full information should be passed on to the applicant so that they can determine whether or not they can change their operation to meet the requirements of the board, if there is a problem that they are rejected for, so that they know the reasons why they cannot achieve their . . . succeed in their application, Mr. Minister.

Hon. Mr. Renaud: — Thank you to the member opposite for his question. I don't know about this specific case and I would ask the member opposite that he should have them contact the Highway Traffic Board with their concerns. If he would like to give me the situation, I certainly will check it out from this end. I just haven't got the details in this specific case, so I'm sorry I can't answer the question further.

Mr. Muirhead: — Thank you, Mr. Chairman. Mr. Minister, I just want to bring to your attention and see if some of your staff knows anything about the conditions of No. 19 Highway from Elbow to 15 Highway and then 219 which carries you into Saskatoon from there. See if any of your staff is familiar with the history on that road and the conditions of it.

Hon. Mr. Renaud: — Thank you to the member from Arm River for the question. I stood in this House the other day and I'll do it once more. I know that every member in your caucus has concerns about certain roads; every member in our caucus have concerns about certain roads; members in the Liberal caucus have concerns about those roads. Because of our financial situation, we will improve and work on those roads as best we can within that limitation.

In your case with that specific road, I will have my department look at it and see if we . . . how many letters we've received and what the condition is. If you can inform me, sir, I would appreciate any help that I could get. So I thank you for the question.

Mr. Muirhead: — Mr. Chairman, Mr. Minister, this highway, why I bring it to your attention — naturally we have highways throughout the province that all maybe needs work done on it, and I understand your

situation where you have to work at them the best you can — why I bring this one to your attention is this, Mr. Minister. There's a heavy traffic flow to Elbow, as you know, because of the golf course there and the park there, and I've never had so much complaints over the last few years about the condition.

And it's the holes that are in that road; that's people pulling so many boats on No. 19 Highway that the holes are unreal. When you're driving along from Saskatoon with a car, maybe going back in the evening, and there's been quite a few people that have broke axles and what not.

And I know I discussed this several years ago, and my understanding this was on the agenda for some kind of work to be done in 1992 and I was wondering what went wrong with this. I'm not saying that they want to build a new highway because I think . . . if I remember correctly, Mr. Minister, if we go back in — when this road was built — if we go back, a few years back, that this road did not get the top put on it right. There was something not finished. They were to do it at a later date.

And it's not really . . . What it needs is to have something to get these holes filled in. If you haven't got the funds to build a brand-new highway, which it needs, the people are just asking me by letters . . . but not so much from my own constituency. This is Saskatoon, Moose Jaw, city people that go out to Elbow park.

And the people that live there say we can handle the holes, we know where they're at. But the strangers are really complaining. So I was wondering if you can comment on that, please, Mr. Minister.

Hon. Mr. Renaud: — Thank you to the member for his question. As I mentioned earlier, because we have limited finances to work on highways in this province, because we're paying of course interest on our debt, we try and prioritize our spending on highways based on traffic count, based on fatalities on a particular section of road, based on accidents.

I noted on the highway that you were asking about, that the average traffic, the daily average traffic flow there is about 300 to 350 vehicles per day, in comparison, for instance, to Highway 16 where the average daily traffic count is 3,500 vehicles per day, where there have been 12 fatalities between 1988 and 1991. So we have to prioritize where we reconstruct roads in this province.

But I want to say too that the weather, you're quite aware of the weather last fall, the amount of moisture that we received in this province. The moisture, combined with the frost last winter because of the extremely cold weather, we have problems with many pieces of road, some of them that we haven't had problems with for many, many years. So we work as we can and as fast as we can to repair the holes that you talk about.

The department of crews, I have to commend them;

they're doing an exceptional job. They're working as fast as they can to have those repairs done. We have hired private contractors to help us with that. But we can't do everything overnight. So we will just continue to work as fast as we can to have those repairs done.

I know, as a citizen of this province, that it would be nice to have a perfectly smooth piece of road. With last fall's weather, with the financial situation of the province, we will just do as best we can. And I know that the people of Saskatchewan appreciate that. I've gotten many calls with concerns of a piece of road, but know that we will be getting at it as soon as we can.

Mr. Muirhead: — Mr. Chairman, and Mr. Minister, now I asked some real quick questions and didn't elaborate on any political speeches. And we all understand what you're saying, Mr. Minister, about the priorities. We also understand that on Highway 16 that there's a terrific traffic count compared to Highway 19, but when you take the year, entire year, 350 vehicles per day on Highway No. 19 would not be fair to say in the summer months — you'd have to do the summer months — and I would venture to say you might have a thousand per day or more.

But my question . . . I didn't want to get into the political rhetoric that your Premier did when we were in government. He used to talk about that particular highway, Highway 19, that it was so bad that they didn't need to make it to the golf course at Elbow, that you had 18 holes to the mile.

So I didn't want to get into that. I just want to ask you, Mr. Minister, and get your commitment. All I want to ask you, so I don't have to belabour this: Mr. Minister, if I can get a commitment that I can have someone in your department check into the seriousness of this particular road now and do what is right. That's all I ask you for.

Hon. Mr. Renaud: — First of all I want to say to the member opposite that certainly traffic counts in the summertime are higher right across this province. I note the Minister of Economic Development has told us several times that tourism inquiries and tourism is in fact up a lot in the last year or two.

But I want to say we will do what is best and as fast as we can. I appreciate your concern. I have the same concern in my constituency. Members . . . your colleagues on that side of the House has the same concerns as my colleagues on this side of the House. So we'll work as best we can and as fast as we can to make those improvements. Thank you.

Mr. Muirhead: — Mr. Chairman, I asked . . . Mr. Minister, I asked very sincerely if I could get your commitment.

An Hon. Member: — You did.

Mr. Muirhead: — No, you just said you look at holes and all these things for other parties and everybody else's problems. I asked you if you would look, some

of your department, into Highway 19. I just need that commitment from you. Highway 19, and do what is . . . and someone to drive over it and report back to whoever, the deputy or yourself, and say the condition of it and do what is right. That's all I ask you to do. Can I get that commitment, Mr. Minister?

Hon. Mr. Renaud: — You certainly can. My department people will look at it; they will report back to me. I will report back to you. I just hope that you don't expect everything to be done overnight.

Mr. Muirhead: — Mr. Chairman, Mr. Minister, I want to thank you for that commitment. That's all the questions I have at this time.

Mr. McPherson: — Thank you, Mr. Chairperson. Mr. Minister, I want to welcome you and your officials here today. And just before we get into the subvotes we'll just touch on a few of the more general questions, I guess.

Mr. Minister, I look over the last probably three, four years at the Highway budget and how dramatically it's been cut; it probably has been cut by some 50, 60 per cent over that time period.

And I'm just wondering, Mr. Minister, in your view, dated back a few years — two or three years, the highway system from then till now — just tell me in your view what is the shape of our provincial highway system?

(1215)

Hon. Mr. Renaud: — Thank you to the member opposite. The trend in reducing budgets over the last few years has been to protection and maintenance of the existing system. We have a \$6 billion infrastructure in this highway. And we have to question ourselves many times: do we have to expand that \$6 billion infrastructure or do we work more towards protection and maintenance? And so in the budgets you've seen some reduction in new construction but you have seen levelling off of the maintenance side of the budget.

I also want to remind the member opposite that the largest cut to Highways budgets happened not in our term, but in the year of 1990-91. So we will continue to protect and maintain the roads as to the best of our ability. Certainly this year is unusual after several years of dry weather to have a year like we did last year with excessive moisture and the frost conditions. So we will continue to work as best we can and as fast as we can to make the improvements that the people of Saskatchewan are suggesting.

Mr. McPherson: — Thank you, Mr. Minister. And I guess that is somewhat of a . . . leads into the next question. With the amount of money that was cut back in 1990-91, surely it couldn't have all been in new construction. I believe that a major portion of money was also in the maintenance. And as you were saying, when we look back at last year it was, you know, with all the moisture . . . Not only that, but the

amount of product that is now moving by truck and less by rail, I notice some highways, especially in the south-west are getting to be in terrible condition. How then can you justify more cuts, given what's happened with this trend for three or four years?

Hon. Mr. Renaud: — Certainly the member from Shaunavon is right that we see additional truck traffic, rather than rail. We're very, very concerned, I guess, with what might be coming from the federal government in the way of rail line abandonment, for an example.

We're stressing to the federal government that they certainly talk to the province, talk to the municipalities before they make any rash decisions on efficiencies, you know, just considering the carriers, for an example. We have a high stake in our road system and we would want to work together with them on any decisions that they make so that we can protect our road system.

We continue to work on the protection and maintenance of our system. I want to commend our work crews for the job that they have done so far this spring, and we will continue to do that. We have hired, as I mentioned earlier, private contractors to help us repair some of the roads and we will continue to do that throughout this year.

Mr. McPherson: — Well, Mr. Minister, basically then what you've been telling me is that you think the roads are in fairly good shape across the province, even though, as one of the members earlier had mentioned, you were one of the members that campaigned on this road having 18 holes to the mile, and we knew what kind of shape those roads were in back then. And yet I've not seen anything substantive out of your department showing that there's been any change.

Hon. Mr. Renaud: — First of all, I want to say to the member opposite that he knows very well that money doesn't grow on trees, and it takes money to do things. And when we're paying \$855 million a year in interest, it certainly would help if we had a little bit of that for road construction.

But I want to say that we have 25 per cent of all the roads in Canada — a \$6 billion infrastructure. We have 3 per cent of the population. We recognize — and I want to stress that — that we recognize the conditions of the roads this spring. Certainly we have some concerns and there are some problems out there. There's no denying that. We will continue to work with our highways crews, to work with the private industry to get those fixed as quick as we can.

But the people out there are telling me, we understand your problem. We know you're working on them; we appreciate that. And we will continue to do that.

Mr. McPherson: — Thank you, Mr. Minister. Mr. Minister, can you, can your office or can your department give any exceptions or exemptions to any road bans? And I know that you and I discussed this not so long ago, of some farmers that were unable to

move some of their product to market because of certain bans on the roads. And actually in the case that you were familiar with there was probably no justification at that point why we couldn't have given an exemption. I just wondered if you have that ability or not.

Hon. Mr. Renaud: — Thank you to the member opposite. This year we've seen extensive use of road bans. And certainly you mention that there are some concerns out there, and there is. If we wouldn't have used road bans, the problems would have been even more severe. We haven't had to do that in the years previous as much, at least because of the weather conditions last fall and the frost and so we had some concerns. We used road bans extensively.

There is a case-by-case exemption that can be . . . because of an emergency. And it is done by case by case. As you can well appreciate, I'm sure, if you just took the ban off the road you would destroy that road perhaps. But in a special circumstance where perhaps there is no fuel in the community or there is some special circumstance, there can be an exemption made and a permit given to that particular instance.

Mr. McPherson: — Mr. Minister, if someone were to be wanting an exemption, what's the process? What do they go through?

Hon. Mr. Renaud: — They would apply to the district engineer.

Mr. McPherson: — So they would . . . and they would get this phone number or address. Most farmers, for an example, wouldn't know who the district engineer is. Is there something you could provide me more substantive?

Hon. Mr. Renaud: — It would be in the phone book.

Mr. McPherson: — Thank you, Mr. Minister. Well I think we'll move right into these estimates of this year. The total budget for this department is decreasing by I think some \$18 million or 10 per cent, roughly 10 per cent. And that's a considerable amount of money to decrease in the budget again this year now.

I just wonder what departments or what areas of your department are taking the biggest hit. And I'm just wondering how some of these . . . if there's savings, how did you achieve them? And what, perhaps programs that aren't readily seen in this document, what programs were perhaps cut back?

Hon. Mr. Renaud: — To the member opposite, as I mentioned earlier, the trend is to the preservation and maintenance of our \$6 billion infrastructure, rather than adding to or upgrading. Certainly we realize that each department in government has to share in this interest burden that we have, but it's no use to cry over spilled milk. We will all take part in handling that.

And in operations we've been able to do things like, for instance, use signs for an extra year, a savings of about \$400,000 a year. The fact that I will not have my

picture on the Saskatchewan map, that we are going to be selling advertising there will help. There has been a reduction in staff levels, which is not something we like to see but something that has to be done in times like this. We're looking at our printing services and actually as many operational efficiencies that we can, and we continue to do that on an ongoing basis.

Mr. McPherson: — Thank you, Mr. Minister. You had mentioned signs. And I notice when you drive around the province, I get a fair number of calls actually from people that talk about these highway signs they now see — huge bulletin boards. And there's a few of them. One is, don't travel in the snow zone, I believe it is; and don't travel in the orange zone. And these are monstrous signs.

In fact, as I recall, one of them was right downtown Regina — don't travel in the snow zone. Could you tell me where the snow zone would be when you're travelling past the Regina Inn, say, downtown Regina?

Hon. Mr. Renaud: — Thank you to the member opposite. It's funny he mentions that. Actually I did receive several comments this summer about the importance of snow zone signs, for an example. Just to remind people of the dangers of, for instance, the Department of Highways snowploughs going down a particular piece of road.

We had a fatal accident last year near my home town where a person was passing a snowplough. So it's a good reminder for the people of Saskatchewan that there are snowploughs on the road, and be careful.

And we have to continue to think of that, to remind people. Any fatality on highways is far too many for me. So if we can reduce that, I think it's well worthwhile.

Mr. McPherson: — Thank you, Mr. Minister. And I don't want to make light of this, so don't take it wrong. But for the people watching today, could you tell them exactly where the snow zone is when they see the sign?

Hon. Mr. Renaud: — Thank you to the member opposite for his question. Saskatchewan is very unique. We have four seasons, and one of them is winter. And there is snow across this province.

But I want to say to the member opposite that anything to remind people on the highway of concerns like snowploughs and swirling snow and those kinds of things, I think is very important. One fatality to me is too many. If we could reduce the fatalities to zero would be fine.

So any reminder that we can give the travelling public of some of those concerns, I think is appropriate.

(1230)

Mr. McPherson: — Thank you, Mr. Minister. Of course your department has no ability that I know of,

of raising funds outside of general revenues. And I'm just wondering, do you have any . . . has your department brought forward any alternatives for any cost recovery or suggestions that perhaps there should be toll-highways or toll-bridges. Can you give us an idea of what your department has been advising you?

Hon. Mr. Renaud: — Thank you to the member opposite for his question. I think what he brings up is very important — is there room for industry participation; is there room for participation of other governments; and that sort of thing.

We are at present working with the uranium industry, for an example, on some cost-sharing arrangements on roads in the North. We work with the Mistic Management, for instance, in the north-west portion of the province. We work with Weyerhaeuser for an example. We work with other governments along our borders — Highway 17, for an example, is cost-shared between Alberta and Saskatchewan, the maintenance.

It was very interesting at the recent SARM convention where rural municipalities invited provincial Department of Highways to talk about the needs for looking at the whole road structure in a particular RM, whether it be highways or rural roads.

So we continue to work on that aspect of it and I think it's very important, and certainly we appreciate your comment.

Mr. McPherson: — Mr. Minister, part of my question had to do with an actual toll on the public for highways or bridges, but more of a user fee. And I don't mean this to mean cost sharing with other levels of government or other jurisdictions or companies; I'm talking about the general public.

Hon. Mr. Renaud: — Toll roads is an interesting concept. In Saskatchewan I'm not sure if they would work. I mean, we have a spread-out population. People, you know, don't use, you know, one particular road more than the other. It would be, I think, very, very difficult.

But certainly if you have any ideas that this might work or you support toll roads, certainly you could bring them to my attention. I'd certainly have a look at it.

Mr. McPherson: — Mr. Minister, under the first subvote under administration I noticed the budget is decreasing by \$113,000, and that's in operating expenses. And I was just wondering, like, how did you achieve these cuts in operating expenses?

Hon. Mr. Renaud: — Thank you. You're talking about operating, I believe. The reductions mainly in operating were from mainframe operating costs relating to the processes we were using in the department, elimination of some of the advertising campaigns, and reductions in miscellaneous operating expenses. And the total savings there were \$107,000.

Mr. McPherson: — Well, Mr. Minister, if you're able to cut back in those areas, I notice then that salaries didn't really take any cut-back. Is there a reason for this?

Hon. Mr. Renaud: — Under salaries there were decreases. There were positions abolished during the 1994-95 budget process, and that was \$50,000 there. The deputy minister's salary is lower than the previous deputy minister, with savings of \$9,000 there. And elimination of funding for positions that were abolished in '93-94 was another \$46,000 there. So there was some savings in salaries.

Mr. McPherson: — But, Mr. Minister, when I take a look at the construction and maintenance subvotes, I mean there's been dramatic cuts in this area in the last few years — four or five years. And yet when you look at administration, the cuts haven't been in proportion. Why would this be?

Hon. Mr. Renaud: — Thank you to the member opposite for his question. I'm sure he was quite aware that when he sat on this side of the House, not too long ago, that we did reorganize the Department of Highways at that time — that was about two years ago — so there was a lot of changes in the number of senior positions at that point in time. This year in fact, there were 28 positions abolished and those, thank goodness, were all able to be handled under early retirement, and we continue to do that.

And as I said earlier, our emphasis is to maintenance and preservation. I don't believe it's time to add to a \$6 billion road infrastructure. It's time to look at the preservation and the improvement or the fixing of the system that we have.

Mr. McPherson: — Well I agree with you, Mr. Minister, at these times there's a lot of road work that needs to be done; however you're not doing it. And in fact you're cutting back in all these departments. And my question was: why doesn't it cut back in proportion with administration?

Hon. Mr. Renaud: — As the member opposite will of course realize, that the majority of reductions certainly came from the capital or the reconstruction side of the budget. And we did this purposely because as we have to reduce, we want to concentrate on the maintenance and preservation of our road system.

Certainly we know this year that we have some problem. And I want to thank you for your support because you realize, as well as we do on this side, that we did have some bad weather last fall, and there are some highways with quite a few roads that need fixing. And our people will be working on that on an ongoing basis and we will do the best we can with consideration to the financial health of the province.

Mr. McPherson: — Mr. Minister, I'm anxious to help out with the House here today in moving things right along, but I'm going to have to ask you this question for the third time, and don't give me the answer about your construction projects.

I want to know why the administration isn't being cut back in proportion to the rest of the budget — just a simple answer and then we'll move on.

Hon. Mr. Renaud: — Because it was the first thing that was cut two years ago. I did answer that. There was a restructuring of the department two years ago. That's when the administration was cut. And I have no other answer. That's when it was done.

Mr. McPherson: — Do you have the figures with you now to tell me what the administration was two or three years ago, whenever this major cut took place in comparison to this year's budget.

Hon. Mr. Renaud: — Thank you. I will certainly be more than happy to get you that information. I don't have it here today but I certainly will get that to you.

Mr. McPherson: — Do you have a rough idea? Can you just ballpark it? What percentage? Is it down 30 per cent, or 50 per cent, or down at all?

Hon. Mr. Renaud: — We only have . . . we're dealing with a set of estimates for this budget and that's the information that we have here with us, but I certainly will be more than pleased to get you those figures.

Mr. McPherson: — Well then, Mr. Minister, if we have to go by only these estimates then the question is once again: if you can find areas to cut all throughout the department, why couldn't you find them or why couldn't the department officials find areas in administration to cut in proportion?

Hon. Mr. Renaud: — Well I'm sure you're well aware that this government is doing an exceptional job in looking at all the efficiencies. The first thing we did when we came to government, when you sat on this side of the House, was look at reorganization of the Department of Highways. And we continue to look at efficiencies every year and we will continue to do that for the taxpayers of the province of Saskatchewan.

Mr. McPherson: — Well, Mr. Minister, we'll move on because you are promising to get some figures together for me to show how you can justify not cutting back administration in this budget. So I guess we'll discuss that at a later date.

Under subvote 2, accommodation and central services, I see that there's an increase of \$50,000, and I'm just wondering why the increase is necessary, to begin with. Where is that money going? Well I'll leave it at that.

(1245)

Hon. Mr. Renaud: — Thank you to the member opposite for the question. First of all, I want to say that our accommodation actually decreased by 1.7 per cent or \$112,482. The increase came because of improvements to the Regina south weigh scale, the Moose Jaw equipment rental depot, the Assiniboia equipment storage building, the Regina weigh scale

on No. 11, and the Kindersley weigh scale.

Mr. McPherson: — Thank you, Mr. Minister. Under the third subvote, construction subvote, how does your department distinguish, I guess, between construction projects versus maintenance projects?

Hon. Mr. Renaud: — Well that's a tough question. I guess one you fix, I mean a hole or you fix a piece of road. The other you reconstruct, you do the road bed. I don't know how else I can answer that but, you know, there's repair and there's reconstruction. Thank you.

Mr. McPherson: — Thank you, Mr. Minister. Are you able to provide a list of the projects and the dollars spent in both of these categories? Or was that . . . did you include that in the package that I received from you the other day? I didn't look right through it.

Hon. Mr. Renaud: — Maintenance is day-to-day activities, so I wouldn't be able to supply you with that information; but certainly on the construction projects, I certainly would be able to.

Mr. McPherson: — Thank you. What percentage of this budget is allocated to surface, surfacing, resurfacing, service transportation?

Hon. Mr. Renaud: — I would like clarification. Was that surfacing?

Mr. McPherson: — Yes.

Hon. Mr. Lingenfelter: — Mr. Chairman, I wonder if I would have leave to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Lingenfelter: — Mr. Chairman, it's my pleasure today to introduce some special guests here in the Assembly — my sister and her husband, Barry and Delana Floberg, and their son, Brandon, who are here with us today.

I'm not sure what you're doing here, Brandon, because my kids are at school right now, but welcome anyway, and I'm sure all members will want to welcome them here today.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE General Revenue Fund Highways and Transportation Vote 16

Item 1

Hon. Mr. Renaud: — I certainly would appreciate if he could . . . to the member of Shaunavon, if he could give me the exact information that he requires and I certainly would be pleased to provide that to him.

Mr. McPherson: — Yes, Minister, I will work on that

question later while I get you prepared for another one here, because I'm still under that subvote.

How does the department define the need for projects, and how are they prioritized? What role does your office play in prioritizing projects, or does your office play a role?

Hon. Mr. Renaud: — Thank you to the member opposite for the question. That again is a very difficult question to answer. I certainly can provide sort of the information that he requires but . . . factors are traffic; there are accidents; there are safety factors considered; there are tourism factors considered; there's economic development factors considered. There are contractual obligations that the department may be under. There may be some legal obligations that the department . . . So there are many answers to your questions.

If you want me to be more precise, I would certainly take a written question and I would certainly get the answer to you.

Mr. McPherson: — Well, Mr. Minister, the question is: does your department provide you with a list of projects that are needed or necessary? And who in the department, or who in your office, or is it you, Mr. Minister, that decides which ones you do and which ones you don't do?

Hon. Mr. Renaud: — Thank you to the member for that question. The department does prepare a list of projects, both for the winter tender schedule and the summer tender schedule. I approve that list. Certainly there is . . . and I think the member might be suggesting that there is some politics played here. And I want to say to the member opposite, it's not my job to make those decisions. The Department of Highways are the engineers. They are the people that know what road needs to be done and when, and I take their advice and follow that advice.

Mr. Lyons: — Thank you very much, Mr. Deputy Speaker, I'd like to introduce to you and to all other members of the Assembly here . . .

The Chair: — Does the member have leave?

Leave granted.

INTRODUCTION OF GUESTS

Mr. Lyons: — Thank you. I'd like to introduce to you and all other members of the Assembly, a group of students who've probably come the farthest that any students can come from in Saskatchewan. There are 18 grade 7, 8, and 9 students and they're from La Loche. And it's probably the farthest point north, with the exception I believe of Garson Lake, that you can reach by automobile.

I want to welcome them here on behalf of the MLA for Athabasca who is not able to meet with them today. They're taking a short visit of the building. We'll be going for pictures at about 1 o'clock. And I ask all

members to welcome these far-away visitors and I hope they have an enjoyable day here in Regina. Welcome.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

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Mr. McPherson: — Thank you, Mr. Minister. I didn't mean to accuse your department or you of being political in the prioritizing of projects. Don't take me wrong. I'm just wondering, what is the process? Who does it? When the list is given to you, is that an accepted list or is it dealt with strictly in your office by you?

Hon. Mr. Renaud: — Thank you to the member for his question. I authorize and that's where it ends. I listen to my department's request and what they suggest be done, the reasons for that and that's the process.

Mr. McPherson: — Thank you, Mr. Minister. And the reason I ask this was not to accuse you of being political, as I said, but more of one . . . I get a number of people asking me about certain small chunks of highway, especially on Highway 13. It's in definite, desperate need of repair. And I was just wondering what the process was, if one was to hopefully move something along and get some work done on a particular piece of road.

Hon. Mr. Renaud: — Thank you to the member for his question. If there is a concern, I guess, on a particular piece of road, the process would be to get a hold of the district engineer. It is my understanding that the district engineers of across the province continue to monitor the road system. Suggestions would come from those people into the Department of Highways here in Regina and that's where plans are made for upgrading or fixing of roads.

So if you have a particular concern, I guess, with a road in your constituency, certainly you should get a hold of the district engineer.

Mr. McPherson: — Well thank you, Mr. Minister. And that previous question, I was unsure what you didn't understand about it — my question on percentage of the budget for resurfacing. But the question prior to that one, you mentioned that you would send the list of the projects; I guess that would all be included. I'll be able to see for myself the actual project and the dollar value, so we don't have to touch on that question.

Well under this subvote, is the Cumberland project which you played a part in yesterday, in announcing, is that included in these figures?

Hon. Mr. Renaud: — Under vote 68, Saskatchewan infrastructure program in *Saskatchewan Estimates*

1994-95, would have a section for infrastructure programs.

Mr. McPherson: — Thank you, Mr. Minister. Does the Department of Highways and Transportation . . . do you have a Saskatchewan-only policy or a union policy?

Hon. Mr. Renaud: — No.

Mr. McPherson: — Did you have a Saskatchewan-only policy?

Hon. Mr. Renaud: — No.

Mr. McPherson: — Well I was told by some contractors not too many weeks ago that you actually had a Saskatchewan-only policy, and in fact was shown a copy where it did say that there was a page in there of Saskatchewan-only policies. So maybe you'd want to talk to your officials about that for a moment.

Hon. Mr. Renaud: — Thank you for the question. I believe that there was a clause in a couple of the contracts that were let, but that was removed because it shouldn't have been there. And that matter has been clarified with the construction industry.

Mr. McPherson: — Well how did those clauses get into those contracts or deals to begin with and why were they there? What was their purpose?

Hon. Mr. Renaud: — Thank you for the question to the member opposite. It's good if all our . . . the construction, or as much as possible, is done by our contractors.

It's interesting to note that many of our contractors do work in Manitoba or Alberta and they believe that the door should be open. We agree with them that they can go out of province to work and that actually other firms can come into the province to work. So we would certainly encourage them to use Saskatchewan products when that's possible, but it's not a determining factor of their contract or it's not mandatory.

Mr. McPherson: — Mr. Minister, who then asked that you make a change in this tendering policy? Was it Saskatchewan contractors or other levels of government, other provinces? Who exactly asked you to correct this error?

(1300)

Hon. Mr. Renaud: — Thank you for the question. We were made aware of the wording of those particular contracts by the construction industry. And I don't know how it happened; I don't know. But it was certainly, when we were made aware of it, removed from the contract.

Mr. McPherson: — Under subvote 4, Mr. Minister, maintenance and transportation, what extent . . . how much of a shortfall are you actually, do you feel . . . In your own words, just tell me how much of a shortfall

do you think there is from between the need that the province has and what your department is providing.

Hon. Mr. Renaud: — Thank you to the member opposite. We certainly believe that we can live within our budget. This is the amount we requested in order to maintain our transportation system. Certainly we would all like to have more. We have to live within our means. We have to do more with less. We have to become more efficient. We have to look at internal efficiencies and that's what we're doing.

So certainly it would be nice to have more. Every department would like I'm sure to have more, but I think the taxpayers of the province of Saskatchewan are, you know, I think they're to their limit. They don't really want to pay more taxes and I agree with them. So we will look at efficiencies within the system and we'll do the best we can with what we have.

Mr. McPherson: — Thank you, Mr. Minister. A few years ago the member from Rosetown was the Minister of Highways and of course he threatened the province with gravelling of highways, and we all know the outcome of that. It went over like a lead balloon of course. Can you tell me, Mr. Minister, are there any roads or highways in the province that are being reverted back to gravel now, this year?

Mr. Kowalsky: — I wonder, Mr. Chairman, whether the Assembly would permit me to make some introductions of some students.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Kowalsky: — Mr. Chairman, in the east gallery we have 32 grade 7 student from Beardy's Memorial Elementary School and they are here with their teachers, Eldon Okanee and Harry Salahub, and other chaperons, I believe. Have I got the names spelled . . . sound correctly? Thank you very much.

Beardy's is just outside of Duck Lake, halfway or three-quarters of the way from Saskatoon to Prince Albert, and we often get visitors from Beardy's to our city of Prince Albert. I want to take this opportunity on behalf of the MLA from Redberry constituency, where Beardy's is located, to welcome them to the Assembly.

I hope they have a good time here and a good time in Regina and certainly a safe journey back home. So would the members please welcome these students from Beardy's.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

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Item 1

Hon. Mr. Renaud: — At this time there is no reverting to gravel planned. There has been some suggestions from rural and urban municipalities that may desire this and I suppose we would take a look at it in a particular situation where it was a suggestion of the rural or urban municipality.

Mr. McPherson: — Thank you, Mr. Minister. But does the department not have certain sections of road that aren't being used heavily, not maintained, that are being allowed to go back to gravel state, every year?

Hon. Mr. Renaud: — Not to my knowledge.

Mr. McPherson: — Can you tell me, Mr. Minister, what the savings . . . or can your department officials tell us what the savings, say, per kilometre to revert road back to gravel, what would the savings have been?

Hon. Mr. Renaud: — Because it's not our policy to do that, I do not have those figures; but I certainly could have the department work on that and get you some figures. And I would have to know, I guess, what you want. Is it reconstruction into gravel, or is it reverting an existing road, or whatever? I would need those details.

Mr. McPherson: — Well, Mr. Minister, the details are simple. The department officials must have calculated out at one time that if we revert back to gravel certain pieces of highway around the province . . . I know when that announcement was made there were some I think 90 miles of highways that were going to be reverted back to gravel in the Shaunavon constituency. So they must have brought forward to the minister at the time, you know, an amount of savings, a breakdown of . . . a justification as to why they would do this.

Hon. Mr. Renaud: — I certainly, because I'm not dealing with that right now, I certainly can get those figures to you. If they are somewhere in the department I would be more than happy to do that.

Mr. McPherson: — Thanks, Mr. Minister. So that if they're going to get those figures, cost per kilometre, then I take it that you'll give it in a breakdown as far as savings in the South where a roadbed is much different than the savings in the northern half of the province. And no doubt you'll be able to get those sort of breakdowns for me.

Hon. Mr. Renaud: — We'll try our best.

Mr. McPherson: — Mr. Minister, subvote 5 under operations, this has dropped by some \$450,000. And I'm just wondering how these cuts were achieved.

Hon. Mr. Renaud: — Thank you to the member opposite for his question. Some of the reductions were in positions that were abolished in the 1994-95 budget process. There were also reductions in duplicating and general contractual service costs; there were reductions in miscellaneous operating expenses; there were equipment rentals and lease

reductions; radio tower rentals; and other miscellaneous activities. So it's sort of all over the place, but efficiencies that we could find within operations that could be reduced.

Mr. McPherson: — Mr. Minister, can you tell me . . . when I look under operations — planning and coordination — that's having quite an increase and that's happening at a time when all other subvotes are having decreases. You're cutting back on construction, reconstruction, maintenance, and yet your planning and coordination is going up. Could you give me some reason as to why this would happen? I can only assume that you're planning to build a lot of road in the next year or two. Would this be correct?

Hon. Mr. Renaud: — If you look at subvote 6 you will see the change there. There was a transfer from one area to the other, so you have an increase in one and then a decrease in the other.

Mr. McPherson: — All right. Thanks, Mr. Minister. Does the department rely exclusively on in-house project estimating services or is some of this contracted out?

Hon. Mr. Renaud: — Thank you for the question. The majority of the work is done in-house. There are some circumstances where it's contracted out.

Mr. McPherson: — In these circumstances where it's contracted out, could you provide a list of those contracts, who they went to, the reason for the contracts, monies paid out to those companies or individuals?

Hon. Mr. Renaud: — Yes, we would be more than happy to provide you with that information.

Mr. McPherson: — Mr. Minister, what's the nature of engineering support services that are offered to some of the rural municipalities? Is there fees, or fee for service for any of this?

Hon. Mr. Renaud: — As you will note, that there was a change when we first took over government, removing Rural Development and moving some of that responsibility into Highways. We provide that service to rural municipalities at no cost.

Mr. McPherson: — Thank you, Mr. Minister. Subvote 6 — we'll move along. Under transportation policy. Does your department have a single, clear transportation policy that you could tell me what it is?

Hon. Mr. Renaud: — Thank you for that question. Yes, we are developing a transportation policy for the province of Saskatchewan, looking at our transportation needs and the changes that have taken place. We have set up a Transportation Council with members of SUMA and members of SARM and department officials; and that report is nearing completion. This was under a commitment made under the **Partnership for Renewal** document and it certainly will take a look at the changes that have

happened in our province in the last several years, and try and take a look into the future as to what our needs might be to the year 2000.

Mr. McPherson: — Thank you, Mr. Minister. While speaking of future needs, I assume that your department has an overall plan for infrastructure for the province. And I was wondering if you could give me some idea of what the infrastructure plans are for project needs and demands and such for the upcoming years.

(1315)

Hon. Mr. Renaud: — The department works on a five-year plan. That five-year plan is reassessed when you do your winter tender schedule, when you do your summer tender schedule, and that's done on an ongoing basis. As you know, there may be some economic development in a certain area, or there may be a new terminal built in another area, or there might be a new tourism attraction in some particular area or there might be some type of highway problem that might occur or there might be a rail line abandoned. So this has to be reassessed, and we reassess that twice a year, both when the department makes up their winter tender schedule or the summer tender schedule.

Mr. McPherson: — Mr. Minister, I see there's a decrease here of, well it's almost 20 per cent. And I'm wondering what operating expenses were cut.

Hon. Mr. Renaud: — As mentioned earlier, in subvote 5 there was an increase and there was a decrease in subvote 6 and it was just a transfer.

Mr. McPherson: — There's also a \$270,000 grant that was cut, and I was wondering who had received that grant and for what services, and why of course was it cut?

Hon. Mr. Renaud: — As you are probably well aware, the Department of Highways did grant to certain bus companies in Saskatchewan some monies to offset their costs. Some of the routes in fact were subsidized between 20 and \$110 per trip per passenger. That was handled through the Department of Highways in the 1993-94 budget, or in this last . . . like it was eliminated. So we do not have that \$270,000 as a grant any longer.

Mr. McPherson: — Thank you, Mr. Minister. In subvote 7 under regulation, safety. Why is it necessary to increase spending on salaries in this subvote? And I'm wondering if it represents new positions or wage increases, or what is the reason.

Hon. Mr. Renaud: — The majority of the increases were because of the new union agreement and out-of-scope, in-range movements.

Mr. McPherson: — All right, Mr. Minister. I want to thank you for your time today, and also thank you to the officials.

Mr. Swenson: — Thank you, Mr. Chairman. And thank you to the minister and the officials for waiting around, but there are some things that I need to get on the record and I think the minister will appreciate why I need to do that. As he said to some of my colleagues, there is only so much budget to go around and you've all got problems. It's my duty in here, on behalf of my constituents, to show you that my problem is greater than anyone else's and that you need to concern yourself with that.

My colleague from Maple Creek, the Highways critic, brought up the issue of Highway 42, and it's not unlike others in the province that have sections with a light topping. This particular one though is problematic, minister, for a number of reasons. It is one of the major gateways to the Lake Diefenbaker area. And as you know, that is an area that has extensive tourism components, recreational components, and it also is now developing a lot of secondary industry and processing.

As you know, there was an agreement signed recently to bring on large-scale potato production into that area, and that's occurring on the west side of the lake this year, but will come on to the east side of the lake next year also.

You're talking about the transportation of thousands of tonnes of product on this highway. And thank goodness, that isn't happening this spring because as we've seen, with the Wheat Board trucking program because of the terminal in Moose Jaw, that highway is being used extensively. And I know you have nothing to do with determining what the Canadian Wheat Board does, but that program is using this particular highway very extensively.

And we got the situation there, I'm told by my constituents — I wasn't there to verify it — that actually a semi was stuck in the middle of the highway right through the blacktop and was actually physically mired in the middle of the highway, and they had to use a Cat to drag it out.

So, Mr. Minister, that's a very difficult situation for people to cope with, and I would like your comments on what you foresee both short term and long term. Because these multipurpose areas, which the Lake Diefenbaker basin is, I believe require some special attention for you to live up to your commitments in tourism, your commitments in other areas. Certainly the Minister of Agriculture, the Minister of Economic Development, have been working very closely with groups there to bring on a lot of value added processing.

Unfortunately we don't seem to be using the rail lines like we should, and in fact this highway is going to shoulder most of the burden out of that region. So would you please comment on that.

Hon. Mr. Renaud: — Thank you for the question, to the member from Thunder Creek. I realize certainly what your concerns are with Highway 42, and as mentioned earlier, each one of us has some very, very

similar situations. The department officials are going to meet with the RM of Eyebrow on June 8 and to discuss some of those concerns that you have.

But it is very important — and I think you mentioned most of it — that the transportation needs are changing. We're looking at a lot more trucks on the road. The Canadian Wheat Board decision, the recent decision, certainly has an effect on the road that you're speaking about.

Our concern I guess is that the federal government may make unilateral changes on efficiencies without talking to provincial road authorities or without talking to producers or without talking to municipal governments. Rail line abandonment will affect our road system drastically; incentive rate changes would affect our road system drastically.

Is there possibilities of short-line railroads, and if so, will there be a commitment by the federal government to ensure that they can actually survive? We don't want just to have a unilateral decision by the federal government that actually just transfers efficiencies or transfers costs and sort of hide that as an efficiency. You can save the federal government money and you can save the CN (Canadian National) and CP (Canadian Pacific) money, but if you transfer that cost to provincial road authorities or to the municipal road authorities, that doesn't solve our problem.

So I have requested a meeting with Mr. Young to discuss those very issues and I'm hoping that that will happen very shortly. I have written to him about those issues because I think they are very important to us.

In regards to Highway 42, we will meet with the rural municipality. There are concerns, like I say, throughout the province in similar circumstances, and we'll do the best we can. But considering the financial health as well, of the province, we sort of have to try and balance that out right at this time.

Mr. Swenson: — Well I appreciate your comments, Minister. I know it's difficult, and you can perhaps elaborate on me what your short-term plans are. The section that is the worst part is from Eyebrow to Keeler. And that was identified two or three years ago. And when Sask Wheat Pool were doing their consultation on building that concrete elevator at Eyebrow, they were told that this was probably going to happen because they had a trucking program in place at that time to truck down to AgPro in Moose Jaw.

And I don't know if you're going to have to talk to some of these elevator companies or the trucking companies or what the score is, because the provincial taxpayer does have a legitimate right to have their concerns aired with these people because there's obviously people doing quite well.

In the case of Sask Wheat Pool, they're getting their elevation charges at Eyebrow and they're turning around and trucking it to Moose Jaw under a full compensatory rate and they're getting their elevation charges again through AgPro, and that's all coming

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out of my Wheat Board pocket. And the taxpayer's paying for the road they're pounding up while they're getting double elevation charges. And I'm not sure that that's an entirely fair scenario for the taxpayer or for the guy growing the grain. And I think the circle is going to have to be widened so that more people become responsible for what's going on here.

I guess what I'm telling you, Minister, with this particular highway, is that because of the number of things that are going on up there, that the problem is not going to go away. You are just going to have additional things coming on stream just on a yearly basis that will make this problem even worse and worse.

For instance, your minister responsible for tourism is working with the people at Palliser Park to put a wildlife interpretive centre in there, which they expect will draw people from all over North America, and if they can't get there over the road it's kind of counter-productive. So can you give me an idea of what you're doing short term to at least keep the road passable until we get through this spring season.

Hon. Mr. Renaud: — Thank you to the member for his question and comments. As I mentioned earlier, the department will be meeting with the RM there on June 8 to discuss some of the things that can be done. The Department of Highways crews are working on it on a continuing basis, trying to get through this spring.

We are interested of course in working with private companies in the oil field area, in the uranium area, in areas that have a lot of logging, like in my constituency, for an example, and working with grain companies to discuss the issues that you talk about. We definitely need more cooperation.

And things are going to change, as I mentioned earlier. There could be . . . if branch lines are abandoned, it's going to have a great effect on our road system. If incentive rates change, it's going to have another effect on our roads.

So we have to work with the federal government, with the Grain Transportation Agency, with local rural municipalities, with producers. We have to work together on this, because if it's done unilaterally or just with one point of view, it's surely not going to work.

(1330)

Item 1 agreed to.

Items 2 to 7 inclusive agreed to.

Vote 16 agreed to.

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

Items 1 to 3 inclusive agreed to.

Vote 50 agreed to.

Item 1 — authorized by law.

Mr. Swenson: — Thank you, Mr. Chairman. I would like to thank the minister and his officials today on behalf of the member from Maple Creek who had to leave, and say we appreciated the time that we spent here, and hope that all of the concerns that were raised will receive the due appropriate amount of attention. So thank you, Mr. Minister.

Hon. Mr. Renaud: — I too, Mr. Chairman, would like to thank my officials today. I also would like to thank the Leader of the Opposition for his questions and the third party for their questions. Thank you.

The committee reported progress.

The Assembly adjourned at 1:34 p.m.