

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Osika: — Thank you, Mr. Speaker. I present a petition on behalf of people with respect to young offenders. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to establish a special task force to aid the government in its fight against the escalating problem of youth crime in Saskatchewan, in light of the most recent wave of property crime charges, including car thefts, as well as crimes of violence, including the charge of attempted murder of a police officer; such task force to be comprised of representatives of the RCMP, municipal police forces, community leaders, representatives of the Justice department, youth outreach organizations, and other organizations committed to the fight against youth crime.

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

The signatures on this petition are from Abernethy, Balcarres, and Melville.

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to present petitions on behalf of the many citizens of Saskatchewan concerned about the social devastation caused by the NDP (New Democratic Party) gaming policy. Mr. Speaker, the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take some responsibility for the ill effects of its gambling expansion policy, and immediately commission an independent study to review the social impact that its gambling policy has had on our province and the people who live here.

The petitioners, Mr. Speaker, are from Humboldt, Bruno, Muenster, and Fulda, and from throughout the province. I so present.

Mr. McPherson: — Thank you, Mr. Speaker. I rise today to present petitions regarding big game damage to farmers throughout Saskatchewan. The prayer reads as follows:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to change the Saskatchewan big game damage compensation program so that it provides more fair and reasonable compensation to farmers and townfolk for commercial crops, hay, silage bales, shrubs and trees, which are being destroyed by the overpopulation of deer and other big game, including elimination of the \$500 deductible; and to take control measures to prevent the overpopulation of deer and other big game from

causing this destruction.

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

Mr. Speaker, the people that have signed these petitions are from the Coronach, some from Regina, and some from Kamsack areas of the province. I so present.

Mr. Heppner: — Thank you, Mr. Speaker. I have a number of petitions to present and I'll read the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to reverse the municipal revenue-sharing reduction and commit to stable revenue levels for municipalities in order to protect the interests of property taxpayers.

And these are signed by people mostly from the area of Hanley, Saskatchewan.

READING AND RECEIVING PETITIONS

Clerk: — According to order the following petitions have been reviewed, and pursuant to rule 12(7) they are hereby read and received.

Of citizens of the province petitioning the Assembly to order increased efforts at enforcement and to pressure the federal government to amend the Young Offenders Act; and

Of citizens of the province petitioning the Assembly to urge the government to commission an independent study to review the social impact of gambling; and

Of citizens petitioning the Assembly to change the Saskatchewan big game damage compensation program to provide reasonable compensation.

NOTICES OF MOTIONS AND QUESTIONS

Mr. McLane: — Thank you, Mr. Speaker. I give notice that I shall on day no. 22 ask the government the following questions:

What was the total funding from the Department of Health to each individual health district in Saskatchewan for the fiscal year 1995-1996?

Again to the Minister of Health:

What was the total funding from the Department of Health to each individual health district in Saskatchewan in 1996-97?

And once again to the Minister of Health:

What will the total funding from the Department of Health to each individual health district be for the 1997-98 fiscal year; and what is the percentage funding increase provided to each individual Saskatchewan health district in '97-98

compared to total funding provided to districts in '96-97, which included a \$40 million emergency payment to the districts?

INTRODUCTION OF GUESTS

Mr. D'Autremont: — Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to the Assembly, seated in your gallery, members of the Western Canadian Wheat Growers Association, western Canada's largest voluntary farm group.

Seated in your gallery, Mr. Speaker — and I would ask that they stand when I call out their names — Sheldon Cooper, Saskatchewan vice-president, from West Bend; Barrie Malo, chairman of the board, from Wolseley; Len Rutledge, senior adviser, from Carievale; Keith Lewis, senior Saskatchewan director, from Wawota; Doug Thompson, Saskatchewan director, from Assiniboia; and Rick Swenson, whom I'm sure everyone in this Assembly knows, Saskatchewan director from Moose Jaw. I would ask that members welcome them here today.

Hon. Members: Hear, hear!

Hon. Mr. Renaud: — Thank you, Mr. Speaker. I would like to join with the member opposite in welcoming the Western Canadian Wheat Growers Association. We had an excellent meeting this morning and we discussed many issues that are of mutual interest. But I would also like to take the time to introduce Shelley Jones, because I think she may have been missed by the member opposite. So if Shelley would stand and we could welcome her to the House, Mr. Speaker.

Hon. Members: Hear, hear!

Mr. McPherson: — Thank you, Mr. Speaker. On behalf of the official opposition, we would also like to welcome the Western Canadian Wheat Growers directors here today. We also had a very interesting and fruitful discussion with them this morning and hope to see them again soon.

Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, I'd like to introduce to you and members of the Assembly, seated in the west gallery, Mr. Speaker, a number of members from the fire-fighters from across Saskatchewan. In particular, I want to introduce my friend and member from Yorkton, Mr. Karl Austman.

Karl is extensively involved in the community. He works with minor sports. Karl is also very active with the Saskatchewan burn unit. Just recently Karl has been elected to the district health board after there having been a by-election.

So I want to extend my welcome to Karl and all of the other fire-fighters who are here today, and have the Assembly show their appreciation for being here this afternoon.

Hon. Members: Hear, hear!

Mr. Osika: — Thank you, Mr. Speaker. I would like to on behalf of the official opposition extend a welcome as well to fire-fighters from our various communities throughout the province with whom we had the pleasure of meeting this morning as well.

To these brave gentlemen who work very diligently and unselfishly, I'd ask that once again we welcome them here and look forward to meeting them again in the future. Thank you.

Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker. And on behalf of the third party, we certainly extend a special welcome to the Saskatchewan fire-fighters. I believe there's some members also sitting in the east gallery and we want to recognize each and every one of them.

Yesterday, Mr. Speaker, I think we all, if we caught the news, we were just reminded a little bit of some of the duties that fire-fighters perform — in that tragedy certainly outside of Regina. We just want to say thank you to each one of these individuals who give of their time, their efforts, and sometimes put their lives at risk for the lives of others.

And a special welcome to each one gathered here today.

Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, I'd like to join with the others in welcoming the fire-fighters of course, but in particular I'd like to welcome Mr. Terry Ritchie, who's from British Columbia. And he is an international vice-president of the International Association of Fire Fighters and serves the fire fighters, I believe, from Manitoba to British Columbia, and has been re-elected a few times to that post. So it's good to see Mr. Ritchie joining us here today as well.

Hon. Members: Hear, hear!

Mr. Krawetz: — Thank you, Mr. Speaker. Mr. Speaker, I'd like to introduce to you and all members in the House, a gentleman seated in your gallery, Mr. Leon Bezaire, an individual from Saskatoon who is part of the Liberal Party executive. Welcome, Leon.

Hon. Members: Hear, hear!

Mr. Kowalsky: — On behalf of the member from Sask. Rivers and from Prince Albert Northcote, I'd like just to take a moment to recognize two of the fire-fighters who are here with us today, Cal Peneff and Larry Zadovny, who've driven all the way from Prince Albert.

And I want to, through you, Mr. Speaker, mention to the fire-fighters that our lounge really does appreciate the mugs that they give us every year.

Hon. Members: Hear, hear!

Ms. Hamilton: — Thank you, Mr. Speaker. Well on behalf of

the Regina members, I'd also like to welcome the Saskatchewan fire-fighters association.

I know the member from Regina Qu'Appelle Valley and myself had a chance to meet with Jim Schlechter, Leo Chapman, and Kevin Tetlow. And I see Mr. Huget is also in the gallery. We had a chance to talk with them and understand the issues that they're faced with in a very high tension, very commendable job of being there in fire and in need, and we welcome them and thank them.

I'd ask all members to join with me in welcoming them as well.

Hon. Members: Hear, hear!

Mr. Wall: — Thank you, Mr. Speaker. I'd also like to introduce to you and through you to all the members of the legislature, two fire-fighters from the great south-west. I can't be outdone by all these other people. These are both proud members not only of the finest fire department in the south-west, but in all of Saskatchewan and probably Canada.

So I'd like you to welcome Dick Yee and Trevor Braun. Thank you.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Season of Miracles

Ms. Stanger: — Mr. Speaker, as we heard last Thursday, we have just come through a season of miracles. The evidence is everywhere, and a little snow will not take away the wondrous nature of this year.

Also, Mr. Speaker, the good book tells us that confession is good for the soul at any time of the year.

I want to report a miracle and a confession. The miracle involves the member from Cannington, the member from Cannington who wrote a column in the Kipling *Citizen* which says, among other things that, quote, "there is a renewed optimism in the province" and "our province is on the move again."

A miraculous transformation if there ever was one. The confession, Mr. Speaker, is the miracle is double-edged. The scales fell from the member's eyes, true, but in doing so they fell on the Liberal leader, Dr. Melenchuk, and hit him on the head. I confess that we are in cahoots with the third party. The third party leader set the tone yesterday in his open admission that we, President Castro, the Pope, and ET are conspiring to thwart the Liberals.

Not only that, the local rural media has now joined the PC/NDP conspiracy.

I join the member from Cannington in confession and I feel much better for it.

Some Hon. Members: Hear, hear!

Saskatchewan Indian Winter Games

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, this week hundreds of organizers and participants are staging a marvellous annual event in Prince Albert with the 23rd Saskatchewan Indian Winter Games. Over 3,000 competitors from across the province are in Prince Albert this week. They represent over 70 different Indian bands involved in a variety of events including competitions in hockey, broomball, curling, boxing, and traditional Indian games. In conjunction with the games, organizers are staging talent, craft, and trade shows, and teen dances.

I would like to commend the city of Prince Albert, the organizers, volunteers, and all the participants who work so very hard to make this fantastic event possible. This week, no matter who crosses the finish line first or who scores the most points, people involved in aboriginal culture all across this province are winners because of the Saskatchewan Indian Winter Games.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: — Mr. Speaker, the Saskatchewan Indian Winter Games in Prince Albert is indeed a marvellous event. There are approximately 2,000 youth involved, mostly of school age. When you add to that the parents, the family, the friends, the coaches that come, there are approximately 3,000 people living in hotels and friends' homes in Prince Albert this weekend.

And for the first time, approximately 300 of them from Athabasca are participating in this event. As a matter of fact, the opening ceremonies featured the drummers from the Dene Nation.

This was all made possible by the hard work and organization of the host, Prince Albert Grand Council; their Grand Chief, Alphonse Bird, and Vice-Chief Leonard Hardlotte; the FSIN (Federation of Saskatchewan Indian Nations) with Chief Blaine Favel; and especially Vice-Chief Eugene Arcand, who has dedicated his life to aboriginal youth.

And of course the generosity of our sponsors — national, provincial, and local. Among them our Crowns — SaskTel, SaskPower, SGI (Saskatchewan Government Insurance) and the lottery system.

These games are a great thing for Saskatchewan youth. They learn teamwork; they learn about their communities; they learn about skill development; they learn about leadership; and it's great for human development.

I want to say to the athletes and the organizers — good luck to all of you, good sportsmanship. You are doing a great thing for your own personal growth, for your community, and your province, and we are proud of you.

Some Hon. Members: Hear, hear!

BIRS Raptors Take Provincial Championship

Mr. Krawetz: — Thank you, Mr. Speaker. Recently I delivered a member's statement regarding the success of the BIRS Raptors, a local hockey club which had won a crucial play-off series and had moved on to the Saskatchewan Pee Wee C division provincial championships.

Mr. Speaker, it gives me great pleasure to rise and congratulate the Raptors once again as they have just captured the provincial crown. After dropping game 1 to the northern champs from Avonlea-Rouleau by a score of 7 to 6, BIRS fought back in Invermay this past Thursday, taking game 2 by a count of 5 to 1 and winning the two-game total series 11 goals to 8.

I was one of nearly 500 people in attendance for this final match, and fans witnessed an excellent game which the Raptors won through strong goal-tending and disciplined defensive play from all players.

The BIRS Raptors have achieved a once-in-a-lifetime goal — that is, to become members of a provincial championship team, a dream few ever attain.

I would like to commend these young men and young woman as well as their coach, Julius Dziaduck, manager Louis Korchinski, and the team's trainer, Sheldon Landstad.

Congratulations on a job well done to be the 1996-97 Pee Wee C division provincial champions, the BIRS Raptors.

Some Hon. Members: Hear, hear!

Yorkton Separate and Public Schools Join to Build New School

Hon. Mr. Serby: — Thank you very much, Mr. Speaker. Everyone in this Assembly is aware of the high quality of our education system. In fact we are well aware of the world-wide recognition it receives. And that is why I am happy to stand in my place today and yet acknowledge another major step in maintaining that system.

Last week, Mr. Speaker, the Yorkton Public School Division No. 93 and the Catholic Separate School Division No. 86, after four years of work, announced they plan a new joint-use school in our city.

This new and innovative venture will provide students as well as the entire community with many benefits well into the future. Students from each division will share common space such as a resource centre, arts education centre, the recreational centre, while each division operates their classrooms autonomously. Through cooperation, the school divisions, in conjunction with the Department of Education, are providing students with the state-of-an-art facility that provides students with first-class space, but also will save taxpayers an estimated \$1 million.

Mr. Speaker, the cooperation between these two school divisions will be a model to other school divisions; so that they

can examine new alternatives and plan to provide the best possible education facilities for our youth. The long-range plan developed by the Yorkton public and Catholic school boards will serve for the betterment of our students. By working together through cooperation, students at our community will be the benefactors in many ways.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Cancer Month

Ms. Hamilton: — Thank you, Mr. Speaker. Most of us in this Assembly have lost friends or family to cancer. Sadly, our experiences are not unique.

In 1995, nearly 7,000 Saskatchewan people were newly diagnosed with this disease. One in three of us will be afflicted during our lifetime. Worst of all, the number of people affected is increasing at a rate of between two and a half and three per cent every year. These are only numbers of course, Mr. Speaker, and numbers can never properly describe the anguish suffered by the friends and family of cancer patients.

Progress is being made, however, thanks to the hard work of the Canadian Cancer Society, our own Saskatchewan Cancer Foundation, and groups all across Canada and around the world. Public education about the value of early detection and research into new forms of treatment have resulted in the marginal increase in overall survival rates since 1971. But more needs to be done.

Mr. Speaker, April is Cancer Month, the month when the Canadian Cancer Society concentrates its fund-raising efforts. The Canadian Cancer Society sells daffodils every year as a sign of hope in the face of this terrible disease. The door-to-door campaign here in Regina runs from April 20 to 21.

Our government has shown its support for cancer research with the recent purchase of a new simulator for the Saskatoon cancer clinic and by amendments to the cancer Act. I believe working together, there will one day be a time where nobody in Saskatchewan will ever again have to mourn the loss of a loved one to this terrible disease. Thank you.

Some Hon. Members: Hear, hear!

New Funding for Agri-food Innovation Fund

Ms. Murrell: — Thank you, Mr. Speaker. Our agricultural biotechnology industry is first class. We are attempting to build and enhance this industry because it offers growth opportunities for our researchers, producers, processors, and marketers. Improving the quality of our produce is always an objective within the sector. So too is the breeding of better quality animals and developing our value added products.

Mr. Speaker, the commitment to develop and enhance the agricultural biotechnology industry of Saskatchewan has been evident in the past. Yes, Mr. Speaker, our commitment to the ag

biotech industry has been evident in the past, and I am pleased to say it will be here in the future.

This morning, Mr. Speaker, it was announced that an additional 15 million in new funding would be provided for the Agri-food Innovation Fund. This is terrific news, not only for the 24 projects that the money is targeted to, but our agro biotechnology industry as a whole and the leading role it has in this industry.

This new funding will maintain our competitive advantage within the industry and propel us even further ahead. Thank you.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Flood Disaster Relief

Mr. Aldridge: — Mr. Speaker, people across Canada are watching national news coverage on a nightly basis as fields in southern Saskatchewan turn into huge lakes, roads and bridges wash out, and many residents sand bag to save their homes. Others have found themselves living in temporary shelters — all because of severe flooding that has hit much of south-western Saskatchewan.

Mr. Speaker, to gain the necessary understanding of the extent of the emergency you do have to witness the devastation firsthand. You have to listen to the stories of the people in the Swift Current, Thunder Creek, Moose Jaw, and Wood River constituencies. The damage is widespread and when it's all over, the clean-up and repairs will be a huge undertaking.

I understand the minister in charge of Municipal Government will be touring some of the flood-ravaged areas this afternoon. Will the Premier make a commitment that this tour includes meetings with municipal government officials who have very serious concerns about the present disaster relief fund?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Thank you very much. Mr. Speaker, I'd be pleased to respond to the member on behalf of the Minister of Municipal Government, who at this time is touring the Moose Jaw area — an area that has been severely impacted by the excess of water that we have in this particular year.

I want to say that the minister is well aware of the disaster assistance program regulations and the requirements that will need some changes because of the reassessment. I want to say that the member is well aware of this. Our intention is to ensure that this program remains viable so that we can help municipal governments who have been coping with some very difficult situations.

And while I'm on my feet, Mr. Speaker, I would like to commend all of the people in the area who have worked very, very closely with Municipal Government, Sask Water, and

government people, and with municipal governments. They are to be commended for doing a very, very good job.

Some Hon. Members: Hear, hear!

Mr. Aldridge: — Mr. Speaker, many municipalities tell me that the current provincial disaster relief fund comes nowhere near meeting their financial needs as the threshold amount to qualify essentially becomes a deductible that is simply too high, and thereafter, the money will be too little and too late. The Saskatchewan Association of Rural Municipalities is echoing these same concerns.

With municipalities already staggering from the cuts announced in the provincial budget, will the Premier explain where these local governments should come up with the necessary funds to rebuild roads, bridges and other infrastructure that has been damaged or washed away by flood waters?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Thank you very much, Mr. Speaker. I again would like to respond on behalf of the Minister of Municipal Government. But let me preface my remarks by saying, Mr. Speaker, that the cooperation that we have experienced from municipal governments throughout this province, from local governments, with respect to the damage that has been created — much of it not yet assessed because the water has yet to recede, so it's difficult to determine the exact extent of the damage — I want to ensure the member that members on this side of the House, this government, will work with local governments to minimize the impact on their areas as we have done in past circumstances, Mr. Speaker.

I want to say though, the members opposite on a daily basis — and for this I think there can be no forgiveness — they're asking for decreased taxation, they're asking for increased expenditures, and it happens on an ongoing basis.

So you can see, Mr. Speaker, why their leader in the *Leader-Post* the other day indicates his dismay and his confusion because, Mr. Speaker, his caucus is just as confused as he is.

Some Hon. Members: Hear, hear!

Mr. Aldridge: — Mr. Speaker, I was on the phone yesterday with some federal government officials to determine what the government opposite has requested in the way of assistance, and I was shocked to discover that they haven't even yet heard from this government.

Well that's in sharp contrast to the cooperation that is apparent between the Manitoba government and the federal counterparts. I received a copy of a March 27 news release issued by Emergency Preparedness Canada in response to rising water levels on the Red River in Manitoba. And this release notes that the federal government is pulling out all the stops to be ready with support and resources if and when they are required by Manitoba emergency officials.

Will the Premier explain what his government is doing to ensure that the same spirit of cooperation exists with Ottawa; and what specific steps is the Premier taking so that Saskatchewan and Ottawa work together in the best interests of the people and communities in this province that need assistance?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Mr. Speaker, I can ensure that member that we will in fact be working with all levels of government to minimize the impact of water management.

But I want to say, Mr. Speaker, when he picks up the telephone to talk to his federal Liberal friends, he might want to ask them why their government is pulling a million and half dollars out of Hydrometric Management in this province. He might want to ask them why they're trying to offload water management commitments that they made as early as 1975.

And he might want to ask his federal friends why they're cutting that money out of this province in a year when we've got this kind of damage happening through floods.

Some Hon. Members: Hear, hear!

Funding for Universities

Mr. Krawetz: — Thank you, Mr. Speaker. Mr. Speaker, the Minister of Finance indicated to the media last Thursday that her government will be encouraging Saskatchewan's two universities to reconsider tuition fee increases. The minister stated that these institutions are "going to see an increase in funding and students and the government expected perhaps a little more."

Mr. Speaker, the students and the universities expect more from the minister than statements that underline the hypocrisy of this government. Our universities have no new operating funding. They are at the same level of funding as was provided in 1995. The president of the University of Regina agrees, adding, "Inflation and higher physical plant expenses due to a new building on campus are some factors that made tuition fees necessary."

Will the minister in charge of Post-Secondary Education explain why this government is misleading the people of Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Mr. Speaker, once again the Liberals have their facts quite confused. Last year the federal government took millions of dollars out of operating funding for post-secondary education. This government was able to replace most of the money but not all of it. So that in fact we had to pass on, in this year and in next year, \$5 million of cuts — 10 million in total — of the federal Liberal cuts; so they were expecting \$10 million less.

When I announced in the budget that we were able to replace

100 per cent of the federal funding, that meant that they have \$10 million more than when they announced their tuition increases.

We also said our primary concern is that as much of this benefit be passed on to students to ensure their accessibility to higher education. And I stand by that. We are committed to doing what we can to ensure that every person in the province, whether rich or poor, can have access to higher education.

Some Hon. Members: Hear, hear!

Mr. Krawetz: — Mr. Speaker, let's put aside the rhetoric and the finger pointing. Under the new plan, under your new plan, operating grants are either 163 million or 168 million, depending upon which document you read. The only effort this government made to address the concerns of our universities was to cancel previously announced funding cuts.

So in effect the back-filling the minister speaks of is for her own cuts. The recent budget does nothing to address the added increase in costs that our universities face. Whether they're the result of inflation, higher staff salaries, whether they're the result of higher utility rates, those are all factors that determine costs.

Will the minister explain why this government did not take into account these added costs to ensure a quality, affordable post-secondary education for all students in the province?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Mr. Speaker, I simply cannot allow the members opposite to continue to play fast and loose with facts. This government has made no cuts to funding for post-secondary education. The federal government has reduced its funding to post-secondary education. We have replaced part of that funding in 1996. We're able to replace a hundred per cent in 1997, which the universities say is good news. And what we said to the universities, acknowledging their independence, we said, please reconsider your tuition increases.

But the final point I want to make about these members opposite is that this is getting to be irresponsible. They're going to put more money into education. They're going to cut taxes more. The list goes on.

They have to put forward a credible alternative. We have put forward an alternative which reduces taxes, enhances spending in priority areas, and continues to reduce debt.

Some Hon. Members: Hear, hear!

Gross Revenue Insurance Program Court Case

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Speaker, as you remember, in 1992 the PC (Progressive Conservative) opposition walked out of the legislature for three weeks to protest the NDP breaking GRIP (gross revenue insurance program) contracts with 60,000 Saskatchewan farmers. We believed it to be an illegal act at the time, and we certainly still

believe it is — and was — an illegal act. Now the question is finally before the courts and if the government loses, it could wind up owing farmers millions of dollars.

My question is to the Minister of Finance: Madam Minister, have you made an estimate of how much your government could have to shell out if you lose this case, and what contingency plans have you made for coming up with the money?

Hon. Mr. Upshall: — Thank you, Mr. Speaker. Mr. Speaker, as the member well knows, this case is before the courts and for anyone to speak about this case might prejudice some part of that. So he knows full well that we cannot comment on this while it's before the courts.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you. Mr. Minister, we think there's a good chance you're going to lose this case, and we're certainly not the only ones. The president of the Canadian Bar Association says that your GRIP legislation is clearly contrary to the rule of law, which must take precedence over the power of politicians. He goes on to say, if the government acts contrary to the rule of law, then the legislation should be struck down in the courts.

Mr. Minister, it seems to me that there's a very good chance you could lose this case. And if you do, your illegal actions could result in the province being on the hook for millions, perhaps even hundreds of millions, of dollars.

Mr. Minister, if you lose, what are you going to do? Are you going to raise taxes? Are you going to close more hospitals? Or what do you intend to . . . or how do you intend to pay for your illegal actions?

Some Hon. Members: Hear, hear!

Hon. Mr. Upshall: — Mr. Speaker, again the member knows full well that I cannot comment on this while it's before the courts. There will be, there will be ample time in estimates in Agriculture to hopefully, when this court case concludes, to answer any question that the member might have at that time.

Some Hon. Members: Hear, hear!

Dual Marketing

Mr. D'Autremont: — Thank you, Mr. Speaker. My question is also to the Minister of Agriculture. This morning all three caucuses had an opportunity to meet with the Western Canadian Wheat Growers Association. And that's one of those radical fringe groups the minister keeps referring to who favour dual marketing.

Mr. Minister, the wheat growers represent thousands of prairie farmers who simply want a choice. It's clear, it's clear this issue is not simply going to go away the way you and Ralph Goodale want it to. This morning's meeting and the 21,000 farmers who voted for open marketing was like an alarm clock telling you to

wake up, get out of bed with Ralph Goodale, and support dual marketing.

Did you hear the alarm, Mr. Minister, or are you still sleeping and refusing to give farmers a choice?

Some Hon. Members: Hear, hear!

Hon. Mr. Upshall: — Okay. I don't know how many people are in that bed but with all the secret meetings that are going on maybe there's more than we even know.

Mr. Speaker, I'd just answer the question by saying that I . . . first of all, I'd like to apologize to the group for not being there this morning. I had to be in Saskatoon with Mr. Goodale at an announcement of the Agri-Food Innovation Fund. But our caucus met with them and we — I'll just say this — we sit and listen to all people and all concerns, okay. Whether or not we agree with those concerns is another thing.

I have stated on the record very many times — and I know members of the Western Canadian Wheat Growers and others do not agree with me. That's their prerogative; that's my prerogative — I believe that my position is the right position. I believe that the position I took was backed up by the fact that two out of three people agreed with our position. Therefore, Mr. Speaker, I think the question is ended. If anybody has a reason to put forward positive aspects then we'll listen to them.

Some Hon. Members: Hear, hear!

Flood Disaster Relief

Mr. Goohsen: — Thank you, Mr. Speaker. Mr. Speaker, roads and highways in the south-west and across southern Saskatchewan were already in terrible shape this spring, but now with the spring flooding they're an absolute disaster. Yet the government has no money set aside for its provincial disaster assistance program and reassessment has made the current disaster assessment formula almost useless. And therein, Mr. Speaker, is the problem.

And for those colleagues who don't understand it, SARM, representing the Saskatchewan Association of Rural Municipalities, says that RMs (rural municipality) will have to come up with about \$125,000 of their own money before they qualify for one dime of provincial assistance. Now it used to be 25,000; so the reassessment is the problem and the RMs simply can't afford that, Mr. Speaker.

So to the Minister of Finance — I suppose today — will you be changing the formula for provincial disaster funds and assistance programs, and will you be moving some of the money that you have to the provincial disaster assistance program immediately?

Hon. Mr. Lautermilch: — Thank you, Mr. Speaker. I'd be pleased to answer on behalf of the government with respect to the provincial disaster assistance program.

The regulations quite clearly will have to be changed. It is our

government's intent to maintain the present relationship between damage and the available disaster assistance and in making so . . . in doing so, we will ensure that local governments don't lose out on assistance just because the amount of a mill will raise much higher amounts following reassessment.

So I would want to say to the member, I've understand and heard his concerns and I'm sure the Minister of Municipal Government will be addressing this through regulations in the very near future.

Some Hon. Members: Hear, hear!

Mr. Goohsen: — Thank you, Mr. Speaker. My question will be to the same minister.

Mr. Speaker, there is one good thing about the roads in the south-west. They're making it easier for the police to spot drunks on our roads. They're the only ones that aren't swerving.

Madam Minister, or Mr. Minister, I find it kind of ironic that your government doesn't bother to budget for a provincial disaster assistance program, but in yesterday's OCs (order in council) we see that your government has set aside \$300,000 for disaster relief, including flood relief, in foreign countries. Not in Saskatchewan — foreign countries.

Why are disasters in foreign countries more important than disasters in Saskatchewan, Mr. Minister?

And immediately after question period, Mr. Minister, and Mr. Speaker, I will be moving an emergency motion calling for money to be set aside to rebuild washed-out roads in our province; and for your government to immediately change the funding formula to the RM program and to provide them with qualifications.

Will you support this motion, Mr. Minister?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Mr. Speaker, let me first say that I don't intend to comment on the driving habits of people in the province, but what I do want to respond to, Mr. Speaker, is the comments made by the member.

We have in place what we believe to be a reasonable and an adequate disaster assistance program. I think it's very important for the member to understand that to do an assessment in the particular areas, it will have to wait until some of the water recedes so we can determine what the amount of damage is. The municipal governments will be looking very closely at the damage in their areas and know the process with respect to talking to the Department of Municipal Government and the disaster relief program and how that functions.

We have spent the past weeks, Mr. Speaker, working with local government, sharing information with respect to what they might expect, sharing information with respect to the programs,

and it's a process that we think will serve the municipal governments very well.

Some Hon. Members: Hear, hear!

School Bus Emergency Communication System

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, anyone who had to travel on our provincial highways in the past day is aware of the treacherous conditions. We can thank our lucky stars that schools are closed and, as a result, school buses are not travelling in these conditions.

However, the present conditions reinforce the need for cellular phone service on school buses in rural Saskatchewan. The most recent statistics reveal that 53,000 children in this province travel some 2,000 bus routes in all kinds of hazardous weather and road conditions.

Does the minister or her designate not agree that cell phones on school buses would provide a source of emergency communication and ease the concerns that parents so often express about their children who have to travel on our rural roads?

Some Hon. Members: Hear, hear!

Hon. Ms. Atkinson: — Thank you very much, Mr. Speaker. We will all remember the young person that came to the legislature during the last session talking about this very issue. I can report that SGI, the Department of Highways, and the Department of Education are working on this issue along with people in SaskTel.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Mr. Speaker, the problem is out there. And I guess what we're trying to say is that SaskTel spends thousands and thousands of dollars every year on advertising, and what better way of advertising could you do than to protect our best natural resources in this province — our children. Aside from the safety aspect, advertising the fact that school buses are equipped with cell phones, compliments of SaskTel, would also help to generate a positive image for the Crown corporation.

Given the facts, will the minister or her designate agree that this is a serious problem and may save a life or lives of our children in the future if we help to provide this cell service for school buses?

Some Hon. Members: Hear, hear!

Hon. Ms. Atkinson: — Well, Mr. Speaker, the member raises some interesting issues, and as I reported earlier, the Department of Education, Department of Highways, SaskTel, and the Department of Education are working on this issue. We will . . . As you know, there are many, many school buses in this province that do have cell phones on buses.

The other thing I should indicate is that for many decades in

this province the Department of Education has worked in partnership with local school divisions and sometimes these types of issues are determined at the local level. So obviously we're all working together to see whether or not we can come forward with a solution in order to ensure that our young people are indeed protected while on school buses.

Some Hon. Members: Hear, hear!

Cudworth Hospital Closure

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, my questions are for the Minister of Health. St. Michael's Hospital in Cudworth is slated for closer on June 30 of this year. Citizens of Cudworth — many of whom are seniors — are devastated. And they are devastated because a community planning committee, requested by the district board, had presented a well-thought-out, financially responsible plan for an integrated facility that would include two to four acute care beds, long-term care beds, etc. The Central Plains Board initially agreed that this proposal would offer more services for less money — a better proposal than the board could come up with.

But shortly after, with pressure from district management and Saskatchewan Health officials, the board voted against this plan. Instead the community now has to accept a health centre combined with nursing home beds, a move that will unnecessarily cost the district and taxpayers of the province hundreds of thousands of dollars.

My question is, how can the minister justify this action when a better, more cost-effective alternative was put forward by the people of Cudworth?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, what the member is clearly doing is taking sides in the community with respect to an issue that the local health board has dealt with. The member disagrees with the decision that the board made. The board made its decision because it believes that conversion of the centre, the hospital, and integration with the nursing home is the best way to go. The member disagrees with that decision; however the board has taken a decision.

But I want to remind the member in the House that this is very much like last year when the members opposite got up and talked about the closure of the Wilkie hospital, Mr. Speaker, and what we find this year is that more services will be provided out of the Wilkie health centre than have ever been provided in the past. And I want to assure the House and the member and the people of the province, Mr. Speaker, that when the health centre is converted and combined with the nursing home, there will be palliative care, there will be respite care, and there will be a very wide range of services to the people of Cudworth and area, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, exactly

what the minister is stating has been told those people. However we have other areas of the province to look at, such as Spalding, Eatonia, etc., etc., to know that their hopes may be very soon dampened.

Mr. Speaker, the integrated facility proposal for Cudworth would not only meet the needs of the people, including acute care, it would also have come with a 1 million . . . close to a \$1 million contribution from the people of that community. Reliable calculations indicate the province could have saved over \$2 million in operating costs over the next 10 years had the planning committee's proposal been approved. When asked to explain the decision, the board chairman simply stated that the proposed acute care beds were the problem.

I think we all know who this was a problem for, Mr. Speaker. This government and this minister have decided that the people of Cudworth, like so many in smaller communities, are not worthy of acute care services. Can the minister explain to this House why it isn't worth allowing the citizens of Cudworth two acute care beds in an integrated facility if it will save the taxpayers \$2 million in operating costs?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, one of the difficulties I have with the member's line of questioning is that the member clearly does not believe in local decision making by the health board, by the elected health board, Mr. Speaker. And I have to say that we have to make a choice: either we believe in elected health boards that make decisions and have the right to make decisions or we believe in going away from the 30 elected health boards to what we had before, which was 450 boards each with their own administration.

Now the leader of the member's party says that he wants to do away with the local, elected boards; he wants to go back to the 450 boards. He wants to hand-pick the members of those boards, Mr. Speaker. Now clearly what this member wants to do is to dictate what the local board should do and she wants me to dictate what the local board should do. That's not the model, Mr. Speaker. The model is local democracy in health and that's what we're going to stick with.

Some Hon. Members: Hear, hear!

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

Mr. Goohsen: — Mr. Speaker, before orders of the day, I rise this afternoon pursuant to rule 46 on a matter of urgent and pressing necessity and ask leave of this Assembly to discuss the matter of municipalities, especially rural municipalities, that are in an extremely vulnerable position this day.

The Speaker: — Order. The hon. member for Cypress Hills wishes to introduce a motion of urgent and pressing necessity according to rule 46. And I'll ask the hon. member to briefly describe to the Assembly why he feels it is a matter of urgent and pressing necessity and to advise the Assembly of the motion he wishes to introduce.

MOTION UNDER RULE 46

Immediate Financial Assistance for Municipalities

Mr. Goohsen: — Thank you, Mr. Speaker. Because of flooding our roads are in desperate need of repair. Many are to the point where they are impassable. Mr. Speaker, municipalities need immediately financial assistance from the province in order to undertake the task of fixing roads that are being damaged by flooding, weather, and the like.

Because of changes in assessment, municipalities have to put up \$120,000 or more before they can receive any further financial assistance from the provincial government. This number used to be an average of about \$25,000 per municipality, Mr. Speaker, and that's a pretty far cry from 120 to 125.

Mr. Speaker, the province must immediately take steps to set up a disaster assistance for rural roads. And we can only do so much to combat the floods and the weather, Mr. Speaker, but we can ensure that disaster . . .

The Speaker: — Order, order. Order. The hon. member is, I believe, is making arguments for the motion he wishes to introduce and varying from advising the House as to its urgency. I'll ask him to simply advise the House of the motion he wishes to introduce.

Mr. Goohsen: — I ask leave of the Assembly, Mr. Speaker, to discuss immediately the appropriate steps that may be taken to address this crisis through the following motion, seconded by my colleague from Cannington:

That this Assembly recognize the desperate need to repair flood-damaged roads in Saskatchewan, primarily in the south-west; and demand that the government immediately take steps to provide emergency road assistance to municipalities through the provincial disaster assistance program; and further urge the government to immediately change the funding formula requiring municipalities to provide the equivalent of three mills, which is five times the amount previously required, due to reassessment.

Some Hon. Members: Hear, hear!

Leave not granted.

The Speaker: — Order. Order. All hon. members will come to order.

ORDERS OF THE DAY

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 11 — The Constituency Boundaries Amendment Act, 1997

Hon. Mr. Mitchell: — Thank you, Mr. Speaker. I rise today to

move second reading of The Constituency Boundaries Amendment Act, 1997.

Mr. Speaker, The Constituency Boundaries Act, 1993 introduced several fundamental democratic changes to the difficult process of striking the constituency boundaries of the province in a manner that was demonstrably fair. These initiatives taken in 1993 included reducing the number of constituencies from 66 to 58, fixing the acceptable variation from the constituency quotient at plus or minus 5 per cent, removal of all references to a predetermined number of rural or urban constituencies, and establishing an independent Constituency Boundaries Commission appointed in consultation with the opposition parties.

Mr. Speaker, the purpose of these changes was very clear — to provide a process for establishing constituency boundaries which all parties and all the people of Saskatchewan could be confident was a fair process. Through the work of the Malone Commission, in our view, this objective was achieved.

Mr. Speaker, the purpose of this amending Bill is to make the simple but important change from requiring a Constituency Boundary Commission every five years to requiring a commission to be struck every 10 years, following the 1991 Statistics Canada census.

This amendment would link the establishment of a commission to the major decennial census conducted on the 10-year cycle from 1991, rather than proceeding on the interim five-year census as well. We are advised that the cost of conducting an overall redistribution of boundaries this year would be in the range of \$200,000.

Saskatchewan is the only province which would require boundaries to be changed every five years. The majority of provincial, territorial, and the federal jurisdictions proceed on a 10-year cycle or following a fixed number of elections having been held. It is therefore incumbent upon this Assembly to ask the question of whether this cost is justified and essential to our overall goal of a demonstrably fair distribution system.

Saskatchewan has undergone no less than three provincial and federal boundary redistributions in the past eight years. These shifting boundaries have been confusing for the electorate and for those candidates seeking to represent their constituents to the best of their ability.

Mr. Speaker, I would also note that since The Representation Act, 1994 we have not been advised of any dramatic shift in our population between the established constituencies. In other words, the fundamental concept of fairness in the Bill will not be unduly compromised by adopting a 10-year rather than a five-year redistribution cycle.

Mr. Speaker, in our consultations with the House leaders of the opposition parties, we have agreed that a 10-year cycle for redistribution would be the preferred approach. We concluded that it upholds the fundamental principle of fairness without incurring undue cost and confusion for Saskatchewan voters. It is on this basis that I bring this Bill before the House.

Mr. Speaker, the Bill also makes one minor correction to the original 1993 legislation to ensure that the constituency quotient, which is based on the total population of the southern half of the province, is compared to the entire population of each constituency within plus or minus 5 per cent rather than the voter population of each constituency, which is in the legislation as it presently stands. This was an unintentional error in the original Act and one which needs to be amended to allow for the logical operation of this provision.

Mr. Speaker, with those brief words I move second reading of An Act to amend The Constituency Boundaries Act, 1993.

Some Hon. Members: Hear, hear!

Mr. Osika: — Thank you, Mr. Speaker. I appreciate the opportunity to address Bill No. 11, The Constituency Boundaries Act.

Any alteration to our electoral process is of great concern to the official opposition, and therefore, Mr. Speaker, this Act will be carefully scrutinized.

The process of redrawing boundaries has been the subject of much heated debate in this House in past years. The changing population patterns of Saskatchewan have prompted this government to implement significant boundary modifications in recent years. And we have seen what direct impact these boundary changes have had on the distribution of members in this House.

It is extremely important to the Liberal caucus that the alteration of electoral boundaries accurately but fairly represents the population trends in Saskatchewan. The procedure set out in The Constituency Boundaries Act provide the very basis for the heart of the democratic process in Saskatchewan. It is absolutely imperative that the integrity of this democratic process be cultivated and preserved to the best of our ability.

(1430)

As democratically elected members of this House, we are all very proud to say that we were chosen by the people of our constituencies to represent their interests and concerns in this House. Unfortunately, voter apathy and growing public cynicism about Saskatchewan politics could be detrimental to the electoral process.

This apathy and cynicism breeds on Saskatchewan ground littered with broken election promises, Mr. Speaker. They fully realize the Premier won't live up to his 1991 election promise to eliminate child poverty in Saskatchewan by the year 2000.

The NDP government has also demonstrated little honour in its dealings with the farmers of Saskatchewan by unilaterally cancelling GRIP contracts. Saskatchewan people will not soon forget that this government broke its election promise to return a measly 10 per cent of VLT (video lottery terminal) revenues to local communities, or that since coming to power the NDP government has cut overall K to 12 education operational

funding by \$26 million.

The cut in education funding comes despite 1991 promises made by the Premier that, and I'll quote, Mr. Speaker: "Increased education is a priority for the NDP. We simply have to find more money."

The list of broken promises by this government goes on and on, causing people to doubt that this government will be accountable to them. But we must ensure that the integrity of the electoral process is not similarly affected. Saskatchewan people must believe that their vote can make a difference.

Is it coincidence that the '95 election, the first election to take place after this government's boundary restructuring, also provided one of the poorest voter turnouts in Saskatchewan history? People do want their concerns actually represented, and the redrawing of boundaries does directly impact on their perception of the electoral process. Unfortunately some people do believe that redrawing the boundaries has been nothing but a tool used by past governments in order to retain their power.

It is our job as elected officials in Saskatchewan to ensure that we do all that we can to restore the public's confidence in the democratic system. And I am hopeful that part of that goal can be accomplished by some of the amendments proposed in this Bill.

In order to destroy voter apathy and to encourage as many eligible voters as possible to exercise their democratic right, we must make the electoral process as straightforward and as fair as possible.

Extending the time period between boundary restructuring from 5 years to 10 years will hopefully eliminate many confusing changes that voters face nearly every provincial election.

Saskatchewan people should have every opportunity possible to be familiar with the constituency to which they belong in order to feel more comfortable with that electoral process.

I also hope that amending The Constituency Boundaries Act to provide boundary restructuring after a more extensive federal census will provide more accurate information for the Boundaries Commission to work with. Acquiring the most recent and extensive census information available should only enhance the integrity of the commission's decision. But this new information must be applied with complete and utter fairness.

The remaining amendments contained within Bill 11, with references to the population formula used by the commission, have caused us just a little bit of concern. Because the impact of this legislation on Saskatchewan's democratic process cannot be underestimated, we will require a little further time to analyse the potential impacts of these amendments.

Having said that, Mr. Speaker, at this time I move that we adjourn debate on Bill No. 11. Thank you, Mr. Speaker.

Debate adjourned.

**Bill No. 7 — The Cancer Foundation
Amendment Act, 1997**

Hon. Mr. Cline: — Thank you, Mr. Speaker. I rise today to move second reading of The Cancer Foundation Amendment Act, 1997.

The purpose of the amendment is to streamline the process for paying physicians who serve cancer patients. Under the current system, the Saskatchewan Cancer Foundation receives funding to pay for physician services. When a physician who's not on the foundation staff treats a cancer patient, the physician bills the Department of Health. The department then invoices the foundation to pay the physician's fee.

Mr. Speaker, the amendment before the House will streamline the process and make it more efficient. It will allow the department to pay the physicians directly in a normal fee-for-service arrangement without invoicing the cancer foundation. It's a fairly technical amendment actually, Mr. Speaker. The foundation will no longer have to act as an administrative middle person, if you will, for these billings.

I think it's important to note, Mr. Speaker, that this change is being made in response to a request from the cancer foundation itself. As a result of the amendment, funding for services of private physicians will appear differently on the books. These funds will no longer be part of the cancer foundation's budget but provincial funding for cancer services will continue to be identified separately in the budget documents. I want to stress that there will be no change in the services provided by the Saskatchewan Cancer Foundation as a result of this amendment.

Mr. Speaker, I'd like also to take the opportunity to say that the government, in this term and the last term of this government, has made a priority of supporting the work of the cancer foundation. In fact this government has increased funding to the foundation by more than 9 per cent or \$2.3 million since '93-94.

Mr. Speaker, since its establishment in 1979 the Saskatchewan Cancer Foundation has provided caring and compassionate services to people across the province. Today it serves residents from its cancer clinics in Regina and Saskatoon. It also offers province-wide breast cancer screening services to women between 50 and 70 years of age.

The high standard of service provided by the cancer foundation was recently recognized by the Canadian Council on Health Services Accreditation. That is a national organization, and it awarded our cancer foundation with a three-year accreditation, which is a testament to the quality of services it provides to Saskatchewan people.

The government looks forward to continued collaboration with the cancer foundation in developing new programs and technologies to provide quality cancer prevention and treatment services to the people of our province.

With that, Mr. Speaker, I'm pleased to move second reading of

The Cancer Foundation Amendment Act, 1997.

Some Hon. Members: Hear, hear!

Mr. McLane: — Thank you, Mr. Speaker. And I thank the Minister of Health for his brief comments in relation to Bill No. 7. Mr. Speaker, this appears to be a very straightforward piece of legislation and I don't see a lot of reason to hold it up in second reading any longer than absolutely necessary.

We have met with a number of stakeholders to discuss the implications of the changes as proposed by the government. Most have told us this Bill will simply clear up some of the administrative headache based by the cancer foundation in terms of how it reimburses physicians for services provided to those unfortunate enough to be afflicted with cancer, and the Minister of Health has very eloquently described that in his address.

Mr. Speaker, anything we can do to make the health care system in this province work a little more smoothly and still provide important services to people who need them most, we will support.

I don't have to tell you, Mr. Speaker, it seems over the last few years the administrative burden and structure in our health care system has increased greatly. This has not led to better service however — far from it.

Many of the services Saskatchewan people depend on have been drastically cut. We have seen each health district in the province set up huge bureaucracies at the same time they'd been forced to cut services due to this government's lack of commitment to maintaining quality health care in many parts of this province.

So obviously, when we're told that some of the health care system's administrative structure is actually being streamlined by the government opposite, it comes as a bit of a surprise.

However, Mr. Speaker, whenever we're dealing with a Bill in this House that affects any aspect of the health care system we do want to take a very close examination of it. The last few years, I believe, have given the people of Saskatchewan every reason to be concerned whenever the government begins tinkering with the health care system again.

So I think it is incumbent on us on this side of the House to scrutinize this and any other Bill affecting our health care system very, very closely. That being said, however, I think we can effectively ask many of the questions that we do have regarding Bill 7 in the Committee of the Whole.

Mr. D'Autremont: — Thank you, Mr. Speaker. I'm pleased to be able to rise today to address The Cancer Foundation Act.

Basically, this piece of legislation enables the Department of Health to pay physicians for cancer-related billings without invoicing the cancer foundation. Hopefully, Mr. Speaker, that means it'll be a reduction in paperwork. However, we would like to have a little more details regarding these payments made

pursuant to The Saskatchewan Medical Care Insurance Act.

We support the cancer foundation, Mr. Speaker; in fact my mother still uses their services. We would like to be able to talk to the various stakeholders that are involved with the cancer foundation and the physicians that deal with the cancer foundation. So we feel that a few more days of debate on this issue would not be an imposition on this particular piece of Bill, since the physicians are being paid, the services are still being provided by the cancer foundation, at least, Mr. Speaker, as well as Saskatchewan Health provides for these days. Therefore, Mr. Speaker, I would move an adjournment of debate on this issue.

Debate adjourned.

**Bill No. 15 — The Department of Health
Amendment Act, 1997**

Hon. Mr. Cline: — Mr. Speaker, thank you. I rise today to move second reading of The Department of Health Amendment Act, 1997. This amendment has a few purposes, Mr. Speaker. First of all, it strengthens protection of our Saskatchewan health cards; and secondly, it allows the Department of Health to take on some of the provisions in The Saskatchewan Hospitalization Act.

Mr. Speaker, as well all know, our universal medicare system that was pioneered in 1962 is a source of pride to most members in the House. It reflects our historic values of cooperation, community, and compassion. And it's nothing less than a statement of who we are. It guarantees that access to high quality health services is based on need, not on ability to pay. And I want to say, Mr. Speaker, we certainly do have high quality health services in the province of Saskatchewan.

I think that we would all agree that if you ask somebody to say where in the world they had a better, more caring, and compassionate health system than in the province of Saskatchewan, people would have a very difficult time naming such a place, Mr. Speaker. And of course, I've challenged the opposition to come up with such a place and they really haven't.

So I wanted to make that comment, Mr. Speaker, because I think the values of caring and compassion that were pioneered in this province for health care are values that are very much alive today. But they're values we want to continue to build on as we renew our health system, strengthen it for the future, and make sure that we sustain it for the next generation.

And with our government's recent budget, Mr. Speaker, the future of those services has been secured. We've increased funding to the health system to ensure people across the province have access to compassionate, caring health services now and in the future. And as the House knows, Mr. Speaker, we've replaced every penny that has been cut back out of the health care system by the federal government in Ottawa.

Our Saskatchewan health cards are an important symbol of those things, Mr. Speaker. They represent our right as

Saskatchewan residents to receive the services we need to ensure our good health. Mr. Speaker, this legislation will clarify the role that our health cards play in identifying residents as beneficiaries of our health system. And this Bill will also strengthen the measures in The Department of Health Act that protect our health cards from fraud and misuse.

Saskatchewan people want to feel secure that their health cards and everything they stand for are protected from abuse. This amendment will increase the fine for fraudulent use of a health card to \$5,000. Currently the maximum fine is \$500. This will serve as a stronger deterrent to those who might consider using someone else's card or allow others to use their card.

Because of course, Mr. Speaker, with the kind of health system we have in Canada, and particularly in Saskatchewan, there are people from other countries like the United States, that if they could fraudulently use a card and were so minded, could perhaps avoid personal bankruptcy. Because that's the kind of sad system that you have when you have a two-tier, private system. We need to avoid that, but we also need to avoid fraudulent use of our cards in our system.

I want to say, Mr. Speaker, that fraudulent use of health cards is not currently a major concern in our province. But it's important that we be proactive and preventive, and say that we won't put up with fraudulent use of health cards.

(1445)

I want to note that the \$5,000 fine brings us into line with legislation in other provinces, and is identical to legislation recently introduced in Ontario.

The legislation will also address another issue, ensuring coverage for health services provided to our residents outside of Saskatchewan. We have reciprocal agreements with other provinces for hospital services. That is contained in The Saskatchewan Hospitalization Act. The amendments before the House today will transfer those provisions to The Department of Health Act. Once that's done, The Hospitalization Act, which is now obsolete, can be repealed.

This aspect of the legislation, Mr. Speaker, is really just a housekeeping measure that will not change the way services are provided or paid for.

In conclusion, Mr. Speaker, I believe the amendments in this Bill help protect an important aspect of our universal health system. They clarify the function of our Saskatchewan health cards and provide a stronger deterrent to future misuse of those cards.

Accordingly, Mr. Speaker, I move second reading of The Department of Health Amendment Act, 1997.

Mr. McLane: — Mr. Speaker, I'm pleased to have the opportunity to speak on this motion. Bill No. 15 makes some long-overdue reforms to The Public Health Act which I think are positive.

After having reviewed the Bill, I agree with several of the objectives as set out in it. But as is so often the case with this government, I have some reservations about the way the government wants to proceed with these reforms.

Firstly, I note that the Bill creates a much clearer legislative authority for the Minister of Health to provide payment to health service providers in the other provinces and territories. I know that there have been several cases presented in this very House in recent years, of people who have had to go outside of the province to receive specialized medical attention.

Well I'm extremely pleased to see that this Act will finally give the minister clear authority to ensure that the province pays for those health services. I hope this government will also soon address the reasons why many Saskatchewan residents are forced to seek specialized treatment out of the province.

This government is fully aware that there is a great demand for medical specialists in Saskatchewan. Yet the NDP's so-called wellness plan is not sitting well with medical specialists who are considering Saskatchewan as the place to relocate.

So while I support the amendments proposed in this Act that will allow the government to legally live up to its responsibility to pay for specialized health services not offered in Saskatchewan, I implore the minister to address the inadequacies of Saskatchewan's health care system that make this legislation so necessary. I also hope that the minister will ensure that Saskatchewan is open to reciprocal agreements of this nature with the other provinces and territories.

The amendments within Bill 15 that refer to extending the definition of beneficiary and to include the issuing of health cards to beneficiaries are also long overdue, Mr. Speaker.

I'm also pleased to see that anyone caught illegally using their health cards can be fined. Saskatchewan's health system must not be the target of abuse.

On the topic of health cards, I do have some concerns about the future of Saskatchewan's health cards and how the information contained in the cards will be used. I would like to know what security provisions the minister foresees including in legislation that will make patient confidentiality a priority.

Within the evolving technological world that we live in, there are more and more security dangers every day. I hope that this government will take the necessary steps to ensure that legislation relating to Saskatchewan's health card information system keeps up with the high-tech dangers that will inevitably target that information. The issue of patient confidentiality must not be lost in the pursuit of efficiency and cost-saving measures in the health care field.

Another concern I have relating to Bill 15 is the clause once again providing the minister with the power to make changes to the health Act through the regulations. Time and time again the minister and his colleagues hide behind the cloak of regulations in order to undermine the real power of this Legislative Assembly.

Ideally this Legislative Assembly is to provide public debate and scrutiny of proposed government policies, but the minister and his government continually take the power of the people out this House and take it behind closed doors. As a result, the Saskatchewan people are forced to cope with this government's mistakes just as we saw in the babysitting wage fiasco.

Those major changes were made behind closed doors by way of regulation changes and then the Department of Labour did not even have the foresight to properly inform the public of the changes to the labour laws. And who pays for this government's mistakes? The Saskatchewan people.

However I do support the overall intent of this Bill, which is to provide more adequate medical coverage for Saskatchewan residents. And I hope that the minister will be able to address our concerns further in the Committee of the Whole.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. At the outset, Mr. Speaker, I see this legislation contains some good things, such as the Minister of Health being empowered to pay for provisions of health services outside of Saskatchewan on behalf of beneficiaries. But we would like more information, Mr. Speaker, on how and what kinds of treatments are involved in these kind of payments.

This is very important, Mr. Speaker, for my constituents, because a good many of them travel down to Minot in North Dakota for services; they travel to Brandon, Manitoba for services. So it's extremely important, Mr. Speaker, to know what kind of services we're talking about and how those payments are going to be made. Are people who pay those services up front going to be reimbursed, or is it a matter of billing between the two jurisdictions? Those are very important considerations, Mr. Speaker.

It's also very important to find out what's going to happen when people from outside of Saskatchewan come into Saskatchewan and utilize our services. What happens in my particular constituency if people from across the border, in Manitoba, come to Redvers for health care services. Saskatchewan Health bills Manitoba Health for those services, but my health care district, the Moose Mountain District, doesn't receive any credit for having performed those services. So they're only budgeted on the number of people in the district, not on the amount of service they actually provide, because the people from Manitoba don't count in that sense.

So we need to talk, Mr. Speaker, to the stakeholders, to see whether they feel this particular piece of legislation serves all of those needs. Therefore, Mr. Speaker, I would move at this time that debate be adjourned.

Debate adjourned.

**Bill No. 8 — The Tourism Authority
Amendment Act, 1997**

Hon. Mr. Lingenfelter: — Mr. Speaker, I'm pleased to present

to the Assembly for second reading, the Bill titled An Act to amend The Tourism Authority Act.

In the autumn of 1994 we transferred responsibility for marketing and development of tourism to the Tourism Authority, which is a unique partnership between the industry and the provincial government. This major milestone was targeted in our *Partnership for Renewal* economic strategy, which included the expansion of tourism marketing in the development through new partnerships as one of our 31 initiatives for economic renewal in the province of Saskatchewan.

This partnership, Mr. Speaker, between the government and the tourism industry was the first of its kind in Canada and was the result of recommendations from the tourism task force. The task force focused on new approaches to financing tourism marketing and development efforts and on appropriate functions for both industry and government.

The Tourism Authority Act, which established the Tourism Authority as a corporation, was the result of the task force's recommendation based on industry input through the consultation process. This enabling legislation responded to the recommendations that the Tourism Authority's responsibility include tourism funding programs other than capital funding, tourism marketing, visitor information services, education and training, support of tourism and public awareness, tourism research and policy, and finally, tourism destination area planning and development.

Mr. Speaker, in the two years since the establishment of the corporation known as the Tourism Authority, commonly referred to as Saskatchewan Tourism Authority, we have seen impressive growth and development in the Saskatchewan tourism sector. And in recent weeks, Mr. Speaker, we've had a number of announcements related to tourism. And as recently as today at lunch we announced another major event in Saskatchewan tourism industry, the establishment of the aboriginal waterways initiative, a partnership between the Canadian Tourism Commission, the Federation of Saskatchewan Indian Nations, and Tourism Saskatchewan.

Mr. Speaker, the tourism industry generates around \$1 billion a year in the tourist expenditure and provides more than 40,000 full-time jobs and part-time jobs for Saskatchewan people — many, many exciting projects. Even in your area, Mr. Speaker, with the new spa in Moose Jaw, many of our young people are able to look at tourism as a way to earn their living in exciting and non-capital-intensive way for young people who want to work in that particular industry.

Mr. Speaker, in April of 1996 the Government of Saskatchewan transferred the mandate for tourism capital development to the Tourism Authority, and in May of '96 the industry-driven tourism partnership was strengthened by merger of the Tourism Industry Association of Saskatchewan, known as TISASK, the Saskatchewan Tourism Education Council, and the Saskatchewan Tourism Authority.

This merger followed consultation meetings with members of

the industry of Saskatchewan and almost a thousand tourism industry organizations, business, and individuals, who gave their overwhelming approval for the new, integrated system. Through this merger, TISASK and the Saskatchewan Tourism Education Council became part of the Tourism Authority framework under the operating name, Tourism Saskatchewan.

Saskatchewan's tourism sector will benefit from having a strengthened organization with a broader mandate and financial base. The industry's profile will be strengthened and the members will have a single organization to represent their interests and support their activities and focus their resources. The credibility, Mr. Speaker, of Saskatchewan's tourism industry will be enhanced and it will be a stronger competitor in the Canadian, North American, and international tourism marketing areas. Mr. Speaker, the board of directors of the Tourism Authority are asking the government to amend The Tourism Authority Act in response to this merger.

And, Mr. Speaker, if I might, I think it would be appropriate at this moment to thank and recognize all of the individuals who historically worked in the Department of Economic Development and Tourism, transferred to the new Authority and now to Saskatchewan Tourism, for the wonderful job that they have done for the people of Saskatchewan and providing the focus that we need to provide jobs and to provide tourism opportunities for Saskatchewan people.

The amendment of the legislation will allow Tourism Saskatchewan to charge a membership fee, as is customary with industry associations. And it will give the broad discretion to waive fees for certain members because of their already high level of financial support.

Decisions concerning membership fees were developed in wide consultation with industry stakeholders, who approved both the structure and the fees to be charged. The amendment will also add capital funding to the organization's mandate, a reflection of the government's transfer of this responsibility for tourism capital development to the Tourism Authority.

In addition, Mr. Speaker, we propose to amend the legislation to accommodate administrative charges — specifically, reimbursement of expenses in accordance with the Tourism Authority standards and reallocation of board seats formerly designated to TISASK. Mr. Speaker, these changes have been requested by the board of directors of the Tourism Authority on behalf of the Saskatchewan tourism industry.

It's my pleasure to present The Tourism Authority Amendment Act, 1997 for second reading and trust members will give it speedy consideration and passage.

Some Hon. Members: Hear, hear!

(1500)

Ms. Draude: — Thank you, Mr. Speaker. I'm very pleased to speak on this Bill because of my interest in the tourism industry in Saskatchewan.

The government has been quite vocal, since coming to power, on its emphasis on building a vital tourism industry in this province. Mr. Speaker, as a small-business person I know the importance of tourism in our economy. And the people of Saskatchewan do everything in their power to make Saskatchewan an inviting destination for visitors and not simply a pass-through point, or even worse, a place to avoid altogether.

Saskatchewan has many points of interest for visitors to enjoy. In the south-west we have the beautiful Cypress Hills; in the south there's the Big Muddy; and further east there's the Qu'Appelle Valley. There are places of major historical significance such as the Batoche National Historic Site.

We also had the good work of the Kinsmen who are working very hard to keep the Big Valley Jamboree, hopefully for many years to come. And of course there's the Saskatchewan Roughriders who thankfully will play another season.

And let's not forget the building we're on now, or the land it sits on, and of course our provincial and national parks throughout the province. On that issue, Mr. Speaker, I note that the government did appear to recognize the importance of the provincial parks in the most recent budget and I sincerely hope they now realize that maintaining our provincial parks is not simply a cost to the province. It's truly an investment because our provincial parks are our biggest tourist attraction.

Mr. Speaker, sprinkled within all these major, well-known attractions are the many interesting events and things to see and do in nearly every community in this province. Saskatchewan is rich in natural beauty and cultural importance. We may not have the Rocky Mountains or the CN (Canadian National) Tower or the Niagara Falls, but we have our own unique tourist attractions that people should be encouraged to visit. And we have our people.

The more people we can convince to visit this province, the better we all are. And the government acknowledges that constantly, at least in words.

Mr. Speaker, the measures that are being taken through this piece of legislation clarify the role, the make-up, and the powers of the Tourism Authority.

This Bill appears to change the membership of the Authority. The Bill will now allow more organizations in Saskatchewan to become members. Under this legislation the onus will no longer be on the Tourism Authority to decide who can and who cannot be members. If an organization meets the criteria set out in the Bill's regulations, that organization will automatically be welcomed. The Bill will, however, give the Tourism Authority the power to levy membership fees for its members. And it appears the legislation will allow the amount of those fees to vary for various types of members.

We hope when making these decisions, the Tourism Authority will remember that many of our organizations or tourism operators who may want to join are on a very tight budget. I would hope the move to make it easier to join as a member will

not be undone through onerous membership fees that will be unaffordable to smaller operations.

Also, Mr. Speaker, it does appear that this legislation will give the Tourism Authority the legal authorization to do what is already being done in fact — namely, handle capital funding for tourism projects. The government has used the Authority for this purpose for about a year already, so this simply brings the legislation into line with what's really happening.

Mr. Speaker, there are a number of other changes to this legislation as well and we'll want to study them a little further. At this time we are not overly concerned about most of the aspects contained in this Bill, but I think a little more secure scrutiny is warranted before voting on Bill No. 8. We do want to take a little more time in talking with the affected parties in Saskatchewan and gathering some legal opinions.

However before adjourning debate, I do want to spend a few moments discussing the tourism industry, both as it relates to the Authority and in more general terms, because this is an aspect of our economy that we must always remember. There have been some very positive moves in the past few years. Mr. Speaker, the government has moved to involve more industry stakeholders in setting strategies, in trying to capitalize on the potential for tourism in our province. Mr. Speaker, the Authority has not been in place long enough for anyone to pass judgement on its relative success or its failure. We'll have to wait awhile to see if this unique partnership is working in Saskatchewan's best interest.

However, the concept that lies beneath the Saskatchewan Tourism Authority is, I believe, a very good one. This is an area where we desperately need the input of all those sectors of the economy that are affected by tourism and know tourism.

Whenever a government thinks it alone has all the answers in any area of the economy, we're usually in desperate trouble. And in so many other areas that does appear to be the case with government. But this is one of the few instances where they have at least appeared to be inclusive in a very important aspect.

Mr. Speaker, it is very important to have an Authority that includes effective representation from areas such as the hotel and motel industry, the outfitters from first nations and from Metis communities, not to mention representatives from various regions and organizations such as the arts groups, heritage foundations, and multicultural groups.

Obviously all of these groups are affected to a tremendous extent by the strength or weakness in the tourism industry in the province and it's only positive that their viewpoints are listened to by government officials. Because, Mr. Speaker, this is a government that does need a lot of help when it comes to building on our tourism strength and overcoming our weaknesses, which are, in some ways, considerable.

Mr. Speaker, a strong and successful Saskatchewan Tourism Authority is very important and we encourage the continued development of that organization. It appears this Bill does alter

the structure of the Tourism Authority. We are in the process of reviewing the proposed legislative changes with various affected parties.

But I think we also have to take this opportunity to point out to the members opposite that the work in building tourism in Saskatchewan can't stop at the Tourism Authority's front door. No amount of tinkering with the mandate of the Authority will solve some of the main problems in this province, problems only the government opposite can deal with.

Mr. Speaker, clearly one of the main hindrances in attracting people to our province is the status of our highways. Travel outside of Saskatchewan east, west, or south and you're greeted with smooth, safe roads. But driving back into Saskatchewan you don't have to see any signs to let you know when you've entered the province, because most people only have to go a few feet within the boundaries of Saskatchewan when they are greeted with their first pothole. It only takes a few minutes for those who live in Saskatchewan to see the sad shape of our highways in comparison to other provinces, who have continued to make the maintenance of highways a high priority in government spending.

But to a certain extent, we who live here have gotten used to the decrepit state of our roads. But can you imagine the reaction of those who are visiting from outside of our province, especially those who may be brand-new to our province or those who haven't been here for a decade or so. Can you imagine what their first impression of our province really is.

Mr. Speaker, I think a clear example of how devastating the situation can be on our tourism potential can be shown by a phone call that we got last fall — actually last July — a time when our province should be teeming with tourists.

A lady by the name of Linda Danielson called our caucus office to complain about the highways. Ms. Danielson is from British Columbia and she came back to Saskatchewan after a lengthy absence to visit some family here. Unfortunately her visit to Saskatchewan was ruined when the truck she was driving was extensively damaged near Drake on Highway No. 20. It was another victim of the ever deeper and ever more plentiful potholes in our highways. And this tourist phoned our office very, very angry, to express her concerns. She was angry because her whole vacation was ruined and because her vehicle ended up in a shop for a whole week.

Mr. Speaker, according to the Canadian Tourism Commission, our country is experiencing something of a tourism boom. However, if Saskatchewan is to get its share of the potential from this boom, we have to do everything in our power to make this a place where people will want to come to.

Nearly every road that leads to one of our major attractions is in a state of disrepair. I hope the case isn't irreparable, but if the government doesn't commit to reversing the situation, it soon will be.

I think Ms. Danielson's exact words pretty well sum up the frustration of so many of the visitors to our province. She said,

and I quote:

I would not have believed the state of our highways if I did not see it for myself. I cannot believe that the government would allow these highways to deteriorate to a point where people are driving on the wrong side of the road (just) to dodge potholes.

Mr. Speaker, these words I believe capture the anger and frustration many visitors and would-be visitors have when discussing Saskatchewan. We have to have a government truly committed to all aspects of tourism. That doesn't simply mean increased promotion of our province, though it is extremely important. It also means getting a good first impression, and that's something we are failing miserably at, and most of that is the continued destruction of our provincial highways.

The problem was not fixed in the budget, and if the government sticks to its 10-year plan the highways will only deteriorate more. We need a true commitment to our highway system. Unfortunately that's not been the case for this government or the previous PC administration, which began our highways on the road to ruin, a policy this government opposite has clearly taken up as its own.

The point I'm making, Mr. Speaker, is that the government can do all the fixing and fiddling it wants with the Tourism Authority. However there are some very real problems in our province, problems that are a serious blow to attracting visitors. And until the government addresses them in a meaningful way, that will remain the reality.

We'll have more to say on this later on, Mr. Speaker, but right now I move to adjourn debate.

Debate adjourned.

COMMITTEE OF FINANCE

Motions for Interim Supply

The Chair: — I would ask the Minister of Finance to introduce her officials, please.

Hon. Ms. MacKinnon: — Mr. Chairman, I hereby move resolution no. 1:

That a sum not exceeding \$675.429 million be granted to Her Majesty on account for the 12 months ending March 31, 1998.

Mr. Gantefer: — Thank you, Mr. Chairman. Madam Minister, before we begin the discussion and some of the detailed information on the interim supply, I would like, if you wouldn't mind, to introduce the officials that you have with you today.

Hon. Ms. MacKinnon: — Thank you for that opportunity. Sitting next to me is Kirk McGregor, who is the assistant deputy minister for taxation and intergovernmental affairs. Sitting behind Kirk is Larry Spannier, assistant deputy minister,

Treasury Board branch; and sitting next to Larry is Jim Marshall, the executive director for the economic and fiscal policy branch.

Mr. Gantefoer: — Thank you very much, Minister, and welcome to your officials as well.

I have to start by saying that I've been lobbied by members of the Assembly this afternoon that we're all in agreement, I think, that we would move this interim supply through very, very quickly if you could assure us that there would be sufficient funds provided to the Legislative Assembly to heat this Chamber. It seems that on April 1 we must have stopped paying our power bills or our heat bills around here, and it's quite chilly . . . (inaudible interjection) . . . Thank you very much.

An Hon. Member: — Want to borrow my sweater?

Mr. Gantefoer: — No, we'll warm it up.

Minister, the amount that you're requesting in this interim supply, I would like you to explain if you would, how the number was arrived at in its total. Was it a percentage of the overall estimated budgetary expenses for the year? Was it estimated in relationship to certain department needs? Or how was it done?

(1515)

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, with respect to the temperature, I had sent a note to the Speaker saying it was cold on this side of the House; I didn't realize it was cold on your side of the House too.

What I'll do is I'll send to the member and to the third party and to the independent member — to their desks anyway — an outline of the different spending being requested here. So if I could get a page to take these across.

And what you'll see there is that there's a certain amount of spending that the government does that is statutory — that is, it does not have to be voted because it's according to statutes that exist. So you subtract out the statutory. And then beyond that, every department has just had two-twelfths of its spending being voted here.

So it's two-twelfths of government spending, taking out the statutory spending.

Mr. Gantefoer: — Thank you, Minister. In doing some research on this, I noted in March of 1993 in this legislature you indicated that in providing a detailed explanation of the interim supply at that time, you said the following, and I quote:

In fact in the 33 years since 1960 there's only been three occasions when the first interim supply Bill was for an amount other than a straight one-twelfth of the budgeted amount.

Minister, I see in the documents that you've just provided, that

excluding the statutory amounts that are authorized by law, the amount that is requested in this interim supply Bill is two-twelfths. Would you mind explaining the difference between your comments in '93 and this request?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, yes, I'd be pleased to answer that question.

The issue is one of timing. Because if we went for one-twelfth today, whatever this pass, we would have to be back in a matter of days to go for another twelfth to be sure that we're ready for the next month.

And I think the point here is that interim supply is just a means to ensure that health boards, universities, all the groups out there that rely on government spending, are being paid in the interim between when the budget is presented to the legislature and the budget is passed.

Because of course the budget authorizes all the spending, but the fiscal year begins April 1. So as of April 1 these people will be expecting to receive cheques in the near future that we can't guarantee that we can give to them. So it is in that sense an interim measure.

And this year, because of the date of the budget and the date of the first interim supply, it really is more appropriate to do two together to ensure that these people will know that their money is coming. And then after that we can revert back to the original practice if that's necessary.

Mr. Gantefoer: — Minister, I know some of my colleagues will be asking more detailed questions in terms of specific departments, but as a general rule, if you've allocated a straight mathematical two-twelfths for the amount to be authorized, could you see any circumstances where that would create difficulties? And I'm thinking, are there any circumstances whereby a department or a certain entity or third party entity may require more money than just the two-twelfths up front; that they have special needs that may or may not be addressed. Or are you satisfied that a straight, across the board two-twelfths amount will satisfy all contingencies?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, yes, it is our belief that they will be able to manage with the two-twelfths. And of course, it's just giving them the choice to do that. That doesn't mean that they will be spending this necessarily. There may be some situations in which the spending isn't required. But it's a way to allow them to reassure their third parties that just because the budget isn't passed, they're not going to suffer.

So we believe, from everything we know, that the departments will be able to manage with the two-twelfths they've been allocated.

Ms. Draude: — Thank you, Mr. Chair. Madam Minister, in looking at page 16, I see that under the equalization payments there is an actual increase from the 1996-97 forecast figures compared to the '97-98 estimated figures. Could the minister explain this difference? And does it mean that the province will

actually be seeing an increase in the equalization payments rather than a decrease?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, I would remind the member opposite that this is not the Department of Finance's estimates. The estimates of the Department of Finance will be here under a different process; so that we don't get into too many detailed questions.

But to answer the member's question. What she needs to compare is apples and apples. She's comparing apples and oranges there. You need to look at the estimate for '96-97 — the estimate was about 315 million — and you compare that to the estimate of this year, which is 129 million. So in fact there's a dramatic drop in apples to apples.

The drop reflects the fact that our economy is doing very well. What the actual payment will be could vary dramatically because you get re-estimates throughout the year, and these numbers vary very dramatically depending on how your economy is doing relative to the rest of the province's economy.

Mr. Gantefoer: — Thank you. Minister, to put it in context, I guess the concern was, or the issue was in relationship to the two-twelfths. Because if your estimated income is changing, does that have an impact on how you would allocate your two-twelfth expenses? Do you take into account the net of income or is it strictly an expenditure-side allocation?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, revenues don't flow evenly over the year anyway and there's no revenue change estimated here. That is, this is an expense measure; you're just taking all the expenses in the budget, and except for the statutory, you're carving off two-twelfths. And there has been no change since the budget in the revenue side. The estimate, you know, the estimate remains the way it is.

What I was saying to the member opposite is you don't know next year at this time what in fact equalization will come in at. If you look at it historically over the last couple of years, it swings dramatically. So when you're talking about numbers you have to compare estimate to estimate and then actual to actual, but not estimates to actuals.

Ms. Draude: — Thank you, Mr. Chairman. Madam Minister, are all of the departments given their cheques for their two-twelfths as soon as this interim supply Bill has been passed?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, the departments are not given cheques — it's permissive. They're given the authority to spend up to that amount if it is required to spend up to that amount. But they have to prove that it's necessary to spend up to that amount.

So it's permissive, and the whole process is in place where they have to show why that money is spent and why it's covered in the budget. And they won't be able to spend anything that's obviously not covered in the budget.

Ms. Draude: — So if that's the case then . . . Like last year the Indian and Metis Affairs didn't receive any funding for two or three months — does that mean that they didn't need any until that time?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, I don't really know the specific example she's using. But if in fact money wasn't spent by a particular organization, it's because they didn't have any legitimate budgetary reason to be spending that money.

Ms. Draude: — Madam Minister, are there resource revenues, gaming, and other revenues going to meet the requirements of the interim supply Bill? Presently oil prices are lower than they were last year — they were around \$21 a barrel, U.S. — and there were no windfall revenues from the Crown corporations expected, nor are there any funds available through sell-off assets similar to the Cameco shares. Is there enough money in the government coffers at present to cover the two-twelfths of the annual spending?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, it's difficult to know how to answer that because it's . . . the money that is . . . the revenue is the same as it always has been in the budget. If the budget were passed right now, we would be spending money, and some departments would be spending more than two-twelfths perhaps, some would be spending less.

So the member talks about the estimates for the price of oil. If you look in the budget, we have assumed in the budget that the price of oil this year was going to be less than it was last year. And we assumed in the budget that we will be getting less revenue from oil than last year.

Again though, what the member has to compare is estimate to estimate not actual to actual. Each and every year we're very cautious in what we assume we're going to get from resources like oil because we want to be pleasantly surprised, not unpleasantly surprised. So the actuals have tended to be a lot higher.

But certainly the revenue is there to ensure that these two-twelfths can be permitted to be spent if required.

Ms. Draude: — Madam Minister, you said that a department would have to prove that it actually needed the two-twelfths. What happens if one department shows that they actually need half of their budget this month — is that available to them?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite. First of all, it would be highly unusual for a department to be spending half of its budget in the first two months of the year. I mean there'd have to be something very unusual happening.

Nothing unusual is happening. Department of Finance have canvassed all the departments and all the departments expect no such unexpected events to occur.

Ms. Draude: — So, Madam Minister, for something like the

flooding that could be a problem, is that going to be covered then? Is there sufficient funding for that?

Hon. Ms. MacKinnon: — Again what I would say to the member opposite is, all that's occurring here is whatever has been budgeted for in the budget, two-twelfths of that is being spent. So if something is already in the budget, there'll be some money for it. If something isn't in the budget, this will be . . . You're not changing the budget here; you're just confirming the spending, the allocation that already exists in the budget.

Mr. McLane: — Thank you, Mr. Chairman. Madam Minister, following up on that last question, is there somewhere in the budget that there are monies for emergency measures; in particular, for the flooding that we're now seeing occurring in southern Saskatchewan?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, I would remind the member about the process that we're engaged in here. All we're doing is we're providing two-twelfths for interim supply. That is a detailed estimates question. As soon as we get through this process, we will get into the estimates of the various departments and you can go through that sort of question.

As you can understand, there's many departments here and if I was going to provide you with the detailed information for every department, I mean this desk would be full of information. And that's why this process is one in which, again, we're doing something narrow here — ensuring that third parties, who will require their money because we're into the new year, have money available to them.

That sort of detailed question of course we welcome, but the process for that is when we get into estimates.

Mr. McLane: — Thank you, Madam Minister, for the history lesson. I think I understand the process to some extent here. And I guess the point I'm trying to make is that we are in a crisis situation in the province. We've got flooding in the southern part of Saskatchewan, and indeed in other parts of Saskatchewan as well. What we're trying to find out is, indeed is there money in this interim measure here for those people out there, the municipalities, that are going to need them? And if so, where will we find it?

(1530)

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite. I think I do have to repeat my answer because he keeps asking the same question. What I said to the member opposite is this is a very narrow interim measure here in which we're taking two-twelfths of everything that's in the budget. We're allowing that money to be spent, and we're doing it only for one reason — to ensure that third parties like hospital boards, health boards, universities have enough money to continue to operate.

If the member opposite does think there's a serious situation, then what he can do — he has a recourse — he can pass interim supply right now. We will bring on the appropriate departments

and you can get into the detailed questions that you want to ask. And we would welcome that, that issue.

So you know, it's up to the member opposite. If he wants that sort of detailed information, then he should say that he doesn't want to spend any further time on this, and we'll bring forth the department's estimates and you can ask that sort of question.

Mr. McLane: — Madam Minister, we continue to hear from your side of the House that open and accountable government. And I think it's a simple enough question. I guess maybe I'll try and rephrase it so that maybe you will be willing to answer it. Is there enough in the two-twelfths of interim payment to cover the costs of emergency measures for the flooding in the southern part of the province?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite. I really think the member opposite needs to show a higher level of understanding of the process. That is a very specific question. There is a specific department that we will be prepared to bring on to answer that question.

This is a general process in which we're taking two-twelfths of the government spending; we're approving it so that we can ensure that third parties that depend on this revenue will have it available to them.

And as I say, the member opposite, this government is entirely open and accountable. What the members opposite have to come to understand though is the process, and the process for that accountability. And you have it within your power to pass this interim supply, move into the more detailed questions, and get the answers that you require. We more than welcome that moving along with the process to give you the answers that you require.

Mr. McLane: — Can the minister perhaps tell us then what figure is two-twelfths of the Emergency Measures budget that you're allocating today?

Hon. Ms. MacKinnon: — Mr. Chairman, to the members opposite, as you'll see from the sheet that I passed out, all that we're approving today is two-twelfths of every department's budget except statutory. As I mentioned to your colleague, the statutory spending is taken out.

In order to get that detailed answer, the member would have to have the department that's involved. Here they will go through the detail of the estimates and they will be more than happy to answer your detailed question. But that's . . . it's necessary to move on to that process to get the detailed answers that you require.

Mr. McLane: — Well surely, Madam Minister, that with the number of staff that you have with you, and surely this has been a topic in cabinet for a number of days, that your Finance people have been working on it, and it seems to me it would be very simple for you to answer the question — if indeed there is money there for Emergency Measures, in particular the flooding in southern Saskatchewan, as part of this interim supply. And I think to me, if you're going to be open and

accountable, let's start right here and give us an answer.

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, one has to be a little disturbed at recent events when it becomes clear that the Liberal Party of Saskatchewan doesn't understand the process. I mean when I picked up my newspaper today and read that the Leader of the Liberal Party is alleging that the Minister of Finance leaked tax information . . . I mean totally serious allegation. No evidence to back it up. Outside the legislature there would be places in which such a person would be open to be sued.

So what my point is to the Liberal Party — and I'm trying to make it gently — is there has to be a respect for the process and understanding of the process. I do not have before me the details of every department's spending. It's ridiculous to believe that one person would have all of that detail here. And this isn't the process by which you go through that detail.

There is a process. We're more than willing to move to it to give you the sort of detailed answers that you want. And you know it's up to the opposition how quickly they want those answers, whether they want to move on to that process.

But there has to be a better understanding of some of these processes, because unfortunately we're getting this province into some difficulty by some of the statements that are being made. And I just hope that that understanding grows quickly.

Mr. McLane: — Well, Madam Minister, a minute ago you talked about the narrow focus that this forum provides. And all of sudden you stray off into the wilderness, talking about all sorts of things, talking about a person that's not even in the legislature. And you want to talk about politics and you don't want to talk about being open and accountable. And I'm sure that your staff members that are with you here don't want to get into that discussion either.

The focus is very simple. We're asking a simple question about funding, and I'm not sure why you won't answer it. If you're worried about the people in the province getting led astray, it seems that your answers are leading them astray. They're saying, well she won't answer. What's she got to hide? Why won't she answer the simple question?

So I'll ask you once more. What is a two and a half . . . or two-twelfths of the interim supply motion today as it relates to emergency funding for the province, in particular, flooding?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, I'll make my point again. What the Liberals are concerning me about is their lack of understanding of the system. And to some extent what I fear the most is lack of . . .

The Chair: — Order, order. I would caution the minister that we are on a discussion of interim supply and not a political discussion here, and I would like to see it brought back to a very narrow format that we have set out.

Hon. Ms. MacKinnon: — Mr. Chairman, what I'm trying to say to the member opposite is that the system has a place for

that sort of question. My concern is the lack of understanding of the system and the lack of respect for the system. I do not have the detailed answer for your question, and there is a process by which that question will be answered.

And I say to the member again, if you want the answer to that question, we would be more than willing to move quickly to the departments, which they will give you the detailed answers. And that's the place to get it.

Mr. McLane: — Well, Mr. Chairman, I guess I take from that answer that the minister is not willing to answer and tell the people of the province what kind of funding there is. And evidently maybe the problem is, is they haven't talked about flooding in rural Saskatchewan and southern Saskatchewan and so there is no money. They don't really care about it.

The people that are listening here today, from the southern part of the province, would be a little bit disturbed at hearing that — that you don't have a plan in place for flooding. And so I guess from that, they know what to expect from their Finance minister, as they did in the lack of consideration in the last provincial budget for rural Saskatchewan.

So I'll take it that you won't answer that question because you don't have the answer, Madam Minister; that there is no funding. So maybe we'll move on to something else if we can, and that will be into Health, Madam Minister. Could you tell us then, or is it too specific if I ask you how the two-twelfths will be allocated within the Health department, including the health districts.

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, the department will provide two-twelfths of their budget, be allowed to spend two-twelfths of their budget if they require the spending of two-twelfths of their budget, the same as with other departments.

Mr. McLane: — Well, Madam Minister, then if, just rough figuring, if it's . . . for the total Health estimates, if two-twelfths of that is about \$272 million, where will that go? Will that completely be up to the discretion of the health districts as it relates to capital projects and those type of things? And are there any . . . I doubt whether there are any capital projects going on. But what portion of that money will they have?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite. One of the reasons you have a budget is that the budget tells the people where the money is going to be spent. So the money will have to be spent according to what's in the budget. And so it will allow the Department of Health to spend up to two-twelfths of its budget, according to what the allocation of the money is within the budget.

Mr. Krawetz: — Thank you, Mr. Chairman. Madam Minister, if I could just ask a couple of questions related to the provincial picture on grants for capital projects. There have been allocations for the post-secondary institutions, the universities primarily, for capital. There are grants allocated for school divisions in terms of capital. These are basically a fiscal year, the calendar year for both school divisions and universities.

Will capital continue or is a two-twelfths allocation . . . will that meet the goals of both post-secondary and K to 12 boards in terms of being able to proceed with capital?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite. This is the sort of thing that the Department of Finance would have checked with the departments, to ensure that the two-twelfths will allow the departments to continue with their capital projects without any hindrance but according to the way they're set out in the budget. So that has been checked, and obviously they're able to manage it within the allocation that they're getting, or the permissive allocation that is there for them.

Mr. Krawetz: — Thank you, Madam Minister. Would you expect, Madam Minister, that the two-twelfths will be sufficient to carry us to the time that this session will end in terms of passing of the budget, or will you expect that, especially in the area of capital, when we start to award major projects . . . We just heard of the announcement of a school being constructed in Yorkton where there will be letting of a contract. Will those kinds of things be necessary in terms of an additional interim supply?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, from what we know right now this will take us through the period that we're requesting interim supply for right now. In terms of the length of the session, it's difficult to know how long the session will go. The members opposite may have a better idea of that than I do. And so then we'll have to reassess it.

But I think what we've been told by our departments and by our third parties is this will be enough to get us through the first two units, and then after that we'll have to assess the possible length of the session and ask those sorts of questions about projects and then come back again to the House with a new proposal.

Mr. Krawetz: — Thank you. A specific question, I guess, around supply of money to the third parties — basically school boards. Have boards of education received their proportionate allocation of the foundation grant for the months of January, February, March?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, you want to ask that question when the department's here because the answer is detailed. But they would have been getting money, obviously, for those first three months. As the member opposite probably knows because of his experience with the school system, they run on a different calendar.

Our budgets run April 1 to April 1. Our year end is March 31. Of course the school boards run on a yearly calendar — January 1 to December 31. And provision is made so that their funding obviously doesn't stop just because our budget is on a different time frame.

But exactly how it works, you'll have to ask the Department of Education when they're here.

Mr. Krawetz: — Thank you, Madam Minister. From past experience, I do know that probably boards of education have not received any allocations up to this point. In fact they probably may not receive their first allocation until maybe the month of May. My concern of course here, is that we have school boards — as you've indicated — operate on a different calendar year. Their expenditures are basically over a 10-month period, excluding July and August.

So if we look at for instance the month of April that we're in right now, January, February, March, April — that's four months, basically four-tenths of the operation of a school board. You can probably say 40 per cent of their costs. You have asked for two-twelfths in terms of interim supply. Will there be a problem for boards of education to operate because they will have incurred already possibly 40 per cent of their costs by the end of April?

Hon. Ms. MacKinnon: — Mr. Chairman, to answer the member's question, again what I would do is I would wait until the Department of Education is here to get into the detailed explanation. But what I would say is this: every year the same situation occurs. That is, every year the budget is in February or March and it's not passed till much later. And even though, even if the budget were passed the day that it's presented in the House, you still would have a time lag because the schools' year starts January 1. So obviously historically this has been taken into account in the way the money is processed for the educational part of the funding. So as I say, I would wait till they're here to get a detailed answer.

But the main point that I would make is that the Department of Finance has checked with all the departments. All the departments, including Education, say there should be no problem with their third parties with this particular process that we would be approving today.

(1545)

Mr. Krawetz: — Thank you, Madam Minister. The point that I would like to raise as well, which is historical in nature I guess, is the fact that as boards of education — which are third party recipients of funds from the government — as they wait for their funds, they incur probably interest costs because many of them are working on borrowed money. The sooner payments are made to boards of education, whether we're talking about the month of April or May, the better off the people of Saskatchewan will be.

So while you've indicated that this is a specific thing for the Department of Education, my concern is that indeed that we address the concerns of boards of education who've raised those concerns for many, many years, I think — I'm sure with your department as well as the Minister of Education — in saying that they incur additional charges in terms of interest rates on borrowed money while they are waiting for their so-called grant money.

My concern is that this process does not further download extra costs to boards of education while they wait for grant money.

Hon. Ms. MacKinnon: — Mr. Chairman, I think the member opposite again will want to raise this issue with the Department of Education, because on the one hand he's raising a policy issue in terms of how the department funds third parties. But what I would say to the member about this process is that this is exactly the same as it has been done in the province probably as far back as we have records; that this process differs in no way from what has occurred in the past.

So school boards are not going to be in any sense jeopardized, or their position is not going to be in any sense worsened because of this process. This is what they would expect us to be doing right now at this time.

The only concern they would have is that we allow the funding to proceed as quickly as possible. Some groups will, as they get further into April, become nervous because they will have bills coming in that have to be paid.

Mr. Goohsen: — Thank you, Mr. Chairman. Madam Minister, I've been listening with some interest to the comments being made about your need to tap the taxpayers' fund of money in order to pay the province's bills ahead of time. It seems strange that after five years of being here we once again find ourselves into a situation where you're asking for money ahead of time.

When in fact I recall in 1990 and '91 the Premier of today's government campaigned strongly on the approach that we would never ever have special warrants or the need for interim supply; we were going to do things better.

Now as you have proven of course, the ineptness of your government over the past five years, you're not only unable to run this province and its finances but you're also unable to keep your first and number one election promise of five years ago, which was that you could do things that other people couldn't do.

You've proven to the people of this province that you are an economic disaster and therefore we must remain vigilant as to how you ask for money and what you plan to spend it on. And so we defend our position here today by the fact that you have not kept your promises in the past.

Mr. Chairman, I ask the minister very straightforwardly: in those months that goes through the year, are there any months that you spend less than other months, or do you spend the same amount of money — of the provincial taxpayers' dollars — equally every month?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, you do have to have a sense of humour to be in this legislature. No doubt about it.

Mr. Chairman, with your understanding here, I'm going to have to respond to this allegation about the special warrants. I don't know. I keep hoping those people will learn not go back to the past, but we're back.

What the present Premier committed to was to not do what was the case under the Conservative administration in this province.

They used . . . First of all, these aren't special warrants, I would say to the member opposite.

Secondly, what happened there was that in 1991 the province of Saskatchewan didn't have a budget. That is the government of the day — the Conservative government — brought a budget into the House. It was such a fiasco the House leader quit in the middle of the session; that the government prorogued the House without ever passing a budget.

Passing strange that Saskatchewan would be one of the few provinces in the history of Canada to actually go through virtually a whole calendar year without ever having a budget passed by the legislature of the province.

And the only way they could spend money was through special warrants. Absolutely inappropriate, absolutely unacceptable, absolutely different from the use of, the legitimate legal use of, interim supply and special warrants.

Special warrants are permissible when, as this year, there is unexpected expenses and the expenses have to be passed by special warrant — when a budget is already in place and a budget has been passed by the legislature. Quite a different story than what happened under the Tories — no budget in place; no approval of the legislature; prorogued the House because you can't get your budget through; and used special warrants stamped that that's the only kind of spending that you're allowed. So if the member wants to go back into that debate, we can.

Now to answer his question. As in any organization, spending can't be regularized on a monthly basis. There are some departments in which obviously spending is going to occur more at one time of the year than another time of the year. And all this measure really does is . . . again I say it's not saying to departments, go out and spend two-twelfths. It's permissive. It's saying to them, if for some reason or other you require two-twelfths — and the main concern will be third parties that are depending on this money — we're giving you permission to do that. But it doesn't mean that they will necessarily have to do that.

Mr. Goohsen: — Thank you, Mr. Chairman. Well, Madam Minister, I find it passingly strange that you would consider that you need to have a sense of humour to be in this Assembly. I can assure you that for the taxpayers of this province, this whole process and your need for money to be spent without justifying it, without just standing in this Assembly and explaining your actions, the only joke in this House for those taxpayers is this government and the way that you have handled the fiscal management of the monies that you take in.

Spending 5.2 billions of dollars in the past year, looking at 5.4 billions of dollars to be spent in the future; all when you had a Premier who said that you could do better with four and a half billion and that was enough, that you'd never need any more. And now you expect us to trust you to spend two-twelfths of the entire budget without any discussion or debate.

And you stand in this House with the nerve to demand from the

members of the opposition that they quickly wrap up this debate so that you can get on with life. Well, Madam Minister, that is the joke, because we are not leaving. And when you ask the members opposite how long it's going to take this Assembly dismissed for the summer, I can tell you right now we may not have summer in Saskatchewan if those are the kind of answers we get from you. We demand more, and we expect more, and we're going to get more or we'll be here for ever.

Madam Minister, the province of Saskatchewan is awash in floods and you have just admitted to me that there is no possible way that you can predict how much the expenditures for any month might be. That in fact third party interests may in fact cloud the issue to the point where you never know exactly how much money you'll have to spend. So now we need to take a look at what third parties might be interested in the first two-twelfths of your budget to be spent.

And we talked to you, Madam Minister, about a situation we all encountered this morning coming to work. As we slipped and slid down the roads of Saskatchewan, I found myself making a 350-kilometre trip, and when I got to Moose Jaw I had covered two-thirds of that on ice and snow, half of which was slick as could be. There was trucks in the ditches, cars turned around backwards. And where was the Department of Highways, Madam Minister? Not to be seen. Not until I got to Moose Jaw, then I found Department of Highways trucks. The only depot in Saskatchewan that was working.

Well, Madam Minister, we want to know how much of this budget has been allocated to emergency highways, the needs, in this period of time when we're into floods and disaster in this province. How much of this money are you going to allocate? Do you have enough funds available and put into your interim supply? Have you got that available for the Minister of Highways?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, we quite enjoy the legislature so we're no rush to leave and quite interested in debating. We would like to spend a lot of time here talking about things like our budget and other measures that are before this . . .

What I would say to the member opposite is, the Department of Highways obviously has enough money to deal with the situations that they require, otherwise they would be here asking for some special consideration. But they say that they can deal with the situation quite appropriately, and the member needs to be reassured so that he can calm down.

Mr. Goohsen: — Thank you, Mr. Chairman. Well, Madam Minister, typical example of how fast this government can flip-flop in every direction and on every issue. A few minutes ago you thought it was a joke that we're here; now of course you're right ready to go to work. Well that's good to see, because now we've got you back on track of the reality of the world, let's talk about the real problems.

Now you say the Minister of Highways doesn't need any money; he's got lots. Well let me assure you that the people in SARM don't have enough. They told us loud and clear through

the news media around this province this morning, that they are desperate for funding to help them with the flood damage in this province. The SARM and the rural municipalities have found a glitch in your system, and we stood in this Assembly and asked you and your colleagues if you're going to correct that glitch because there's a need for money.

Now the minister of water department says that he is committed that the cabinet of this province will sit down and straighten out the problem in some cabinet meeting some place through some regulations.

Well, Madam Minister, how much money is that disaster fund going to cost? Have you got anything laid aside in this interim supply for the next month? Because that's when they need the money, is in the month of April, not in the month of July. They need that money in the next two months. How much money have you put aside for a contingency plan for disasters for the roads and the municipal problems in this province?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite. What the member opposite will know is he can go through the budget and he can look through the estimates and find out what is being allocated for a year, and he can say two-twelfths of that is being permitted to be spent.

The member opposite knows that if he wants to get into this detailed questioning, what he needs to do is to allow the department to come forward and provide him with his answer. And we would be more than willing to have the departments here to provide that answer for him.

Mr. Goohsen: — Thank you, Mr. Chairman. Well, Madam Minister, have you ever heard of the term, grievance before supply, in the democratic system? First of all, you have to listen to us ask you questions about why you're spending the taxpayers' money and then you have the right to spend it — and not before.

And the point that we're going to make right now is that you do not have in the budget an allowance of one-twelfth of the money necessary, as you have explained in your answer. It's as phoney as a \$3 bill because you do not have a disaster fund in this province. There is no money in that fund; there is no fund available to be found.

So where's the money going to come from? Are you going to snatch it out of thin air?

Hon. Ms. MacKinnon: — Mr. Chairman, Mr. Chairman, I think with that last comment the member's reflecting more on the practices of the 1980s when he talks about snatching money out of thin air.

What I would say to the member opposite is what is occurring here is simple. There are people out there who require funding. The budget has not been passed by the legislature. And the members say they want to debate the budget more before they pass it. Fair enough. We're quite willing to allow the debate to occur as long as possible. We're quite proud of this budget. I think you kind of liked it too in that you voted for it, as I recall.

So what is happening is the legislature says that we don't want to pass this budget right today. We want to keep talking about it. Fine, we'll talk about it. We're quite willing to talk about it. We enjoy talking about it.

The problem is though, there are third parties out there that require funding and what we're trying to do is to ensure that they get the funding.

The member will get the answers to his detailed questions when we have the people here to provide the details.

Mr. Goohsen: — Well, Madam Minister, I'm afraid it's not going to work that way. You see we're here now and you want the money now. And before you get it, you're going to answer our questions. That's our responsibility in the democratic system — is to demand that you explain to us how you're going to pay the bills, how you're going to use the money.

You haven't provided any kind of logical explanation for how you're going to fund the very simple thing like a disaster fund this spring for rural municipalities, a system that has been ongoing for many, many years in this province; a system where if you spend more than 3 mills — and this is a policy that's in effect — if you spend more than 3 mills of your total assessment, you now qualify for disaster fund relief help from the provincial government.

(1600)

Now we find the provincial government doesn't have any budgeted money for that process. And that being the case then, we have to know what's going to happen in terms of getting that money out.

Then we have the mix of the assessment problem, the assessment problem that now creates the situation where all the province's properties are being reassessed higher, and as a result, municipalities — because of a glitch in this system that hasn't been corrected — will now have to put up \$125,000 where they used to put up, on average, about 25,000 before they are qualified for this relief.

So, Madam Minister, it appears to me that you don't have your figures together today. It appears to me that you haven't done your research. It just appears to me that maybe you'd better go home tonight and get some people to work on this, and we'll all come back tomorrow and start with a fresh start after you've gotten some idea what's going on in the world and how to handle your department.

So with that, Mr. Chairman, I move that this committee do now adjourn.

The Chair: — The motion to adjourn is out of order in committee, is not in order, and is not well taken.

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, it is highly amusing to get lectures on finances from the Conservative Party of Saskatchewan.

What I would say to the member opposite is the members opposite have got lots of information about the budget — budget document, the *Supplementary Estimates*, the detailed *Estimates*. There's lots of information, and we're quite interested in debating this in even further detail. That's why what we would like to do is, soon as the members want to get into the detail, we'll move to that process.

Mr. Kowalsky: — I move we report progress.

General Revenue Fund Economic and Co-operative Development Vote 45

The Chair: — I recognize the minister and would ask him to introduce his officials, please.

Hon. Mr. Lingenfelter: — Thank you very much, Mr. Chairman, and I want to say how much it pleases me to be the first estimates to be dealt with in this session. It's a privilege and probably signifies the importance the government puts on jobs and job creation, the fact that this department is up.

I want to introduce our deputy minister of Economic Development, Clare Kirkland, who is seated directly to my right. Janis Rathwell, ADM (assistant deputy minister) of administration, is to my right and behind. And David McQuinn, the executive director of policy, is seated directly behind me. Those are the staff who are with us at the present time and if anyone else is joining, we'll introduce them at that point.

Item 1

Mr. Gantefer: — Good afternoon, Minister, and officials, and welcome to this first of many sessions, I'm sure, on detailed scrutiny and estimates of the Department of Economic and Co-operative Development, I note.

Mr. Minister, indeed I think we're, as well, very pleased that your department is the first one coming forward, because undoubtedly we are going to want to ask why when compared to our neighbour in Manitoba that we only were able to create a thousand jobs last year when they were able to create so many. So I think that we will want to indeed not only note what you plan to do but also look at the very limited successes that you've had so far.

Mr. Minister, I think that, although I know the risk involved, I want to give you an opportunity to give an overview of your department, where you see it going — kind of an advertisement, if you like, for where you're going. And I know the risk that I entail in doing that.

However, I know that it's fair to start this process; that the minister should be given an opportunity to give an overview and a direction and what do you see for your department in a general sense. So I invite you to provide us with that right now.

Hon. Mr. Lingenfelter: — Well as you know, the Department of Economic and Co-operative Development in our province includes a number of different areas — includes the whole

science technology, trade and international trade and interprovincial trade. Tourism is included. The area of co-operative development, the whole . . . What used to be a full department at one time in the 1960s and '70s is now included in the Department of Economic Development, and of course economic development policy as well.

So it's a broad-ranging area of topics that we deal with. But most of all we try to set the tone and tenor for economic development in the province in terms of the regulatory side, in terms of setting the standard and creating an atmosphere for business development.

And if you look at a number of areas in Saskatchewan where we're doing very well, trade of course is growing by leaps and bounds. And I was just checking the number this morning on trade — Saskatchewan exports have increased by almost 60 per cent since 1991. It's a huge increase.

And when you go through the numbers — and I'll send this across because it's quite fascinating to look at — the export of wheat is up very little in terms of dollars since 1991, but it's very much the non-traditional areas where the companies that are involved in manufacturing machinery . . . (inaudible interjection) . . . One of the members heckles that it's the demise of the Crow benefit, and it's interesting that that would be the position of the Liberal Party because I kind of thought they were in a different mode. But the increase in export of air seeders, for example, has little to do with the Crow rate or freight rates. In fact the freight rate on exporting farm machinery has increased significantly from '91 to '95 or '96.

The reason that those exports have gone up and the number of jobs for example, in Flexi-coil or Morris and Bourgault, have increased is because we have a manufacturing section in our province that's second to none in the world. And this is where the new jobs are being created — in machinery manufacturing, particularly short line and air seeders; the whole ag-biotechnology; the film industry; and value-added. And that really is where the economy of Saskatchewan is headed.

That's to say nothing of the whole resource sector, tourism, as well as a number of other smaller pieces to the economy; the forest industry which is very large and growing.

But if you look at Saskatchewan it's a very, very exciting place to do business.

Mr. Gantefer: — Thank you, Minister. I agree that your department has a great number of aspects. The way that I would propose to deal with estimates over the course of this session is to start in the general and then move more specifically into the various aspects that you outlined in terms of the responsibilities of your department.

In a general sense, Minister, it strikes me as one of the major changes that has occurred this year, which we're looking at in specific, is the renaming of your department and the change in direction in terms of no longer being called strictly the Economic Development department, but in essence the Economic and Co-operative Development department.

I would like to ask you how you see that change of emphasis on your department affecting not only that specific area of Co-operative Development but also the general thrust and emphasis of your department?

Hon. Mr. Lingenfelter: — The change of name for the Department of Economic Development to the Department of Economic and Co-operative Development, of course, is done in large part to set the tone for Saskatchewan going into the next century, that the role of co-ops is going to be as important and, we believe, more important as we go into the next century than even it has been in the past or is at present.

And therefore the name change is done for two reasons. First of all, to emphasize in a very important psychological way and practical way the role of co-ops in the province of Saskatchewan going out into the future.

And secondly, if you look at the line on co-ops, the amount of money that we're putting into Co-operative Development is increasing by, I think, a little over a quarter of a million dollars this year, and that will be money that will be there permanently.

So in a very practical way it will mean that we'll have more staff people to work on such things as new-gen co-ops. And the member from Kelvington-Wadena will know that in many of her areas of the province, or in the Humboldt area, for example, a number of the new hog production facilities are going to be of a co-operative nature.

And so there are many, many new co-operative structures that are being looked at, especially in rural Saskatchewan, to create jobs and to help build the economy — therefore the change of name.

Mr. Gantefer: — Minister, I appreciate what you're saying and I'm tempted to get into the whole area of co-operatives, but I assure you that we will definitely have more detailed questions in that specific area.

I would like to know how you see the emphasis that you've indicated that you're placing on co-operatives, existing co-operatives, and new-gen co-ops, how does that sort of square with the emphasis that people are concerned about in terms of small individual and private businesses?

It seems to be recognized across this province and across Canada and the world indeed, that the real engine of growth is small business. It seems that we have been quite unsuccessful last year in creating jobs. How is your new emphasis on cooperatives, which in this province have certainly not been small business, how does that square with the recognition of the importance of small business?

Hon. Mr. Lingenfelter: — If the member is making the point that . . . I was having a difficult time hearing, but I understand that what you're saying is that small business is the backbone and the keystone of economic development. And I think that's true in Saskatchewan as it is right across Canada and North America.

If you look at the . . . where vast majority of new jobs are being created, and I don't have those stats right with me, but I recall, and go by memory, that over half of the new jobs being created are being created by companies with fewer than 10 employees. And that in fact many of the large companies, whether it's the big railway companies or the big computer companies, what you're hearing is they're still downsizing — being more productive but still downsizing.

And so while we like to have more head offices move to our province, like Crown Life or like some of the other companies who are building call centres in our province, the fact of the matter is that the vast majority of new jobs being created, of the jobs that we keep track of, the majority are being created by small and medium sized companies.

I say again that's not to take away from the IPSCOs or the larger companies, because they play a very vital role and provide high level, good paying jobs.

(1615)

But one of the numbers that sticks in my mind is that in 1991 or 1990 or 1988, I forget which of those years, that production of steel from the pipe mill in Regina was about 350,000 tonnes and they had 900 employees to manufacture and process that pipe. Last year it was over a million tonnes of pipe with the same number of employees. So you can see how the efficiencies in some of these big companies just means that they can produce way, way more.

The other area of course is in agriculture. We have 7,000 fewer people working in agriculture today than we did in 1991 even though we had record production last year, in 1996. And that record production was done with 7,000 fewer people — to show the efficiency and the way that agriculture is changing. And we'll go through the numbers of Manitoba versus Saskatchewan.

But one of the big areas where we have a major difference in job loss is on agriculture. And the main reason is that because our agriculture is a much bigger sector and as it contracts in terms of the number of jobs and the efficiency of Saskatchewan farmers, the other sectors of our economy have to grow that must faster to keep up.

But we'll get into the comparison of Manitoba and Saskatchewan. There's a number of areas where our job creation is much better than Manitoba's — trade for example. Our number has grown much greater and faster between 1991 and 1996. Manufacturing, we've grown faster. But on the agricultural side they've stayed about level on the number of people working in agriculture while we've gone down 7,000. And that reflects the larger machinery, larger farms, and the need for fewer and fewer people to grow more and more grain.

So we can talk about the difference in those two provinces, and we will as the discussion goes on.

Mr. Gantefoer: — Minister, I guess my concern . . . And I'm pleased to hear you articulate the importance of small business

in terms of the overall scheme of things in this province, recognizing that larger businesses in Saskatchewan are not necessarily large businesses on the international side and they too employ a very important part.

My question was related more towards, is your department shifting emphasis from the small-business sector to cooperatives, which are hardly small business in Saskatchewan — at least the traditional cooperatives are not small business. The new gen cooperatives are more limited in size and more project specific perhaps.

Does this indicate a shift in emphasis of your department that is going to take some emphasis away from small business and placing your hope into the cooperative sector instead?

Hon. Mr. Lingenfelter: — No, as I mentioned earlier, there is new emphasis on co-ops and also new money. So it's not money shifting out of the small-business sector or the small-business programs to co-ops. It's additional money that, as a result of getting the deficit under control and balancing the budget and having a bit of surplus, some small part of that surplus finds its way into the cooperative sector.

But let me say when it comes to large co-ops or large businesses, our department doesn't have a big role to play, for example, in allowing IPSCO for example to find its way into the international markets. IPSCO is very well established, and they compete well with any other steel plant in the world when it comes to pipe. They don't really need a lot of help other than regulatory and setting the right tone to do business in Saskatchewan. We deal with them all the time, but they would likely do very well whether the Department of Economic Development was there or not.

The same is true of the Saskatchewan Wheat Pool. They're very, very large; they're very proficient. Where our department really is doing, I think, a great job is dealing with small business and small co-ops, and our emphasis will continue to be on medium and small business and medium and small co-ops.

And one shouldn't dismiss quickly the growth in small co-ops in Saskatchewan. And I say again, particularly in rural Saskatchewan, there are many communities that are looking at the potential of establishing small co-ops in order to meet their economic development needs of their community.

So the view that we have had historically in the New Democratic Party and government is that Saskatchewan has three main engines of growth and that they . . . the province works best when they're all working at top speed. Those are the public sector, that \$7 billion entity that includes all of our Crown corporations. They employ thousands and thousands of people and have done a great job historically of creating employment and creating an economy. There's the small, medium, and large business sector, which is very fundamentally important to our province; and of course there's the cooperative sector — all of which are fundamentally important.

I think when we get in trouble is when we — as you suggest we shouldn't do, and I agree with you on this — is overemphasize

one area over the other. And I think of one of the failings of the previous administration during the 1980s was the overemphasis on one sector very much to the detriment of other sectors of our economy. And I think key to economic development, the way it is structured in this province . . . And this is historic.

So when you try to make any of these quick changes, which I think we were trying to do in the 1980s, to say that business was everything and get rid of the Crowns and forget about co-ops, I think some of the lack of economic growth that we saw in the 1980s was that radical shift that was attempted, much to the chagrin of much of Saskatchewan because it went against the history of this province.

And I think politicians who make those kind of drastic changes that move away from supporting co-ops, Crown corporations, or business do it at their own peril. And my view is, is you try to keep all of them working at top-notch, keep the systems working, and you'll have a very strong economy. And this has proven to be the case both in the 1970s when we were in government, and now in the 1990s.

Now of course some would say, well that's just good luck. But isn't it interesting that when we had seven years of Liberal government in the 1960s the economy was pretty darn tough and people remember those seven lean, mean years of the Thatcher administration. And they remember the nine years of Grant Devine and how terrible that period of time was.

Now some people can say that that was just good luck, but I think there's a little bit more than luck when you have an economy that's working as ours is today.

Mr. Gantefoer: — Minister, we were lectured by the Finance minister about staying on topic, so I'll resist the urge to talk about all the development that happened in this province during the Thatcher Liberal years. And a great deal of it was started in that time by a very innovative and creative — fiscally responsible, I may add as well — government.

Minister, I wonder if, from your information, one of the great concerns that people have generally is, is I guess what could be loosely called urbanization. And I'm wondering if in your economic outlooks or your forecasts of job creation or activity, do you see any trends occurring in terms of the jobs and economic activity being centralized in hot spots? Saskatoon has a very dynamic economy happening right now.

How do you see the shifts or trends, or do you see any long-term trends in terms of urban versus rural? And I don't mean that in an adversarial sense; I mean it by way of comparison. And where do you see your department functioning in terms of looking at areas that maybe are not as active as others are to try to enhance the opportunities in those areas?

Hon. Mr. Lingenfelter: — Well it's interesting to look at those areas historically in the province, that have done well economically, and what the role of government has been in helping set standards and make things happen in communities.

And I think in general when you look at communities that have survived and flourished and those that went the other way . . . And many of them have disappeared — and this is not a political statement — under whoever's been in government. This is true in Alberta, Manitoba, and Saskatchewan, or Montana for that matter. Some have flourished and some have, under the same kind of administration both federally and provincially, haven't made it. Well what's the reason or what's the rationale?

When you do analyses of that, it usually is a core group of people in the communities that survive that had a vision for what they wanted their local community to look like. During the 1950s with the centralization of communities at that time, it was those mothers and fathers of the community that got together and said, we're going to put sewer and water in. And some communities said no, that's a pretty radical idea; we're not spending all that money and raising taxes to do that.

But as time went on, those that went forward quickly with some of those new, progressive ideas, they survived and they grew, and the others . . . Because as retiring farmers moved to town, they wanted to move where they had those systems of sewer and water, and those communities went well.

If I look around the province today, one of the main issues driving the growth of some communities is where you have good economic development strategies at the local level. We have the same policy for all of the province, and the federal government has the same policy for all the province. Yet some communities are doing very, very well and some aren't.

But what will fundamentally affect that change is the transportation system. And with the announcement that the railway companies are abandoning, I think another 1,600 kilometres of rail line in western Canada, about half of it in Saskatchewan, you see communities like Davidson for example now with two main terminals, one on one side of town and one on the other. They are now strategically located to be a community that survives based on being a collection centre for grain. The announcement of the Pool now to build an inland terminal at Gull Lake, and the Southwest Terminal has built a terminal just east of Gull Lake. Many of these patterns, I think will be based on transportation.

But one thing I can say, since 1991, that has been very, very encouraging, is that many communities that saw vacancy rates of 20 or 30 per cent in the 1980s are now full to capacity, where you can't get a house and you can't get a trailer and can't find a place to live. If anyone would have told me that that would have turned around in five years . . . I know we all dreamed of that turning around in five years, but many, many people would never have believed that most of our small communities are now full and having to build housing. And a big part of the reason that we had a 40 per cent increase in housing starts last year had to do with housing starts in rural Saskatchewan. And this is the first time in 15 or 16 years where this kind of housing numbers have been achieved in rural Saskatchewan.

So I'm very optimistic that where we have regional economic development authorities, where they're doing work in

partnership with the local community and the federal government's programs in economic development, you're actually seeing some very fantastic economic development come into place.

And I'm not going to go through and list the communities, but a number of people from your caucus represent those towns and villages that are doing very, very well. Look at Bourgault in St. Brieux, for example. And somebody will say, well it's because hospitals will cause a problem.

An Hon. Member: — It's a Liberal area. It's all Liberals.

Hon. Mr. Lingenfelter: — Well I don't think it's all Liberals. I mean Maple Creek is doing very well and that's a Conservative area. Weyburn's doing very well; Estevan's doing very well; Swift Current . . . In fact it's a much longer list when I list out the communities that are doing very well than those that aren't. And I think that's a credit to all of the people who have been involved in economic development — opposition, government — but most of all the companies and people who are taking the risk by plugging their dollars and taking the risk in those communities.

Mr. Gantefoer: — Thank you, Minister. My question related to how does your department interface with those people. And I certainly do recognize that many people in our area are doing very well, and Bourgault would argue probably in spite of your government, not because of it.

Minister, the other area that's a great deal of concern is the demographic shifts, or how your department is going to deal with issues of high unemployment for young people. We see that while the general unemployment rate is one level, when you actually look at the demographics, that young, particularly uneducated people, are even more at a disadvantage.

How do you see the shifting trends for these young people? Instead of necessarily entering the workplace right away but also potentially going into small businesses or things of that nature, how do you see your department? You know, what areas of your department do you see addressing this demographic issue as well as the urban/rural one?

Hon. Mr. Lingenfelter: — Well I think it's important to realize that for the longest time in many Canadian schools and in the education system, small business was not looked at as an alternative when life skills and counselling was taking place, or at least not emphasized to the extent that it could or I believe should have been. To that end the Department of Education and the Department of Economic Development are working very, very closely on entrepreneurial skills teaching, using mentors from the community to come into the school to work with students, to talk about opportunities that there are on the small-business side.

(1630)

Because as the member opposite — having been a small business and still consider myself to be involved in small business in a number of ways — there really are few career

choices that I believe are as satisfying as having a small business. I mean it's a tough life; you work very, very long hours. But like farming, there's something satisfying about being the person that makes the decision and tries to put together strategies of survival, especially in rural Saskatchewan. Because I just think and believe that in rural Canada, being an entrepreneur and making a success of it is tough, and you know that and I know that.

But I did want to go back to your opening comment about jobs in Manitoba and Saskatchewan. I just had my staff do up the quick numbers on number of jobs in non-agriculture, and I want to give you these because they're interesting. But in the non-agricultural side there's been a 5 per cent growth in jobs in Manitoba, or 21,000 job increase. In Saskatchewan in the non-agricultural side there's also been a growth of 5 per cent or 19,000 jobs.

And so when you look at . . . Leave agriculture out of it, because there's a very, very large difference in the size of agriculture in Saskatchewan and Manitoba, but in the non-agricultural side the jobs have grown at exactly the same percentage rate in Manitoba and Saskatchewan since 1991.

On the agricultural side in Manitoba, the jobs have contracted or there's 5 per cent fewer jobs on the agricultural side, and in Saskatchewan it's closer to 20 per cent. And so we have to realize that on the entrepreneurial, small-business side we've had every bit as an aggressive growth rate in Saskatchewan as we have in Manitoba. And you should get these numbers, look at them, and be proud of the fact that we've been able to do that while at the same time balancing the budget and going forward towards the next century.

But for us to say to ourselves and to preach the idea that somehow our entrepreneurs over the last few years have done less than the entrepreneurs in Manitoba, I think does a great disservice to the folks who are creating jobs.

And I just urge you to get those, look at them, study them so that we know exactly what we're saying. I mean, if having looked at them you want to keep then giving out wrong information, that's fair enough. Then one can wonder why you're doing it. But the fact of the matter is, in the non-agricultural sector, the growth rate in employment is exactly the same in Manitoba and in Saskatchewan.

Now we can say that that's not good enough. And I agree that we can do better and that Manitoba can do better. But to say that somehow our entrepreneurs aren't as quick off the mark and aren't doing as good a job as Manitoba, it's not accurate.

And the member from Kelvington-Wadena wants to make a point. And I would urge her to get to her feet and make a counterpoint if you think the entrepreneurs in Saskatchewan are less effective and not creating jobs at the same rate. Get the numbers from StatsCanada, because your folks in your area and those in my area of rural Saskatchewan are doing every bit as well creating jobs as our good friends in Manitoba.

Mr. Gantefoer: — Minister, I would be pleased to engage in

the debate on the job issue and it certainly is a point that we've been making all along, that small business in this province is functioning quite well in spite of your government, not because of it particularly.

Some Hon. Members: Hear, hear!

Mr. Gantefer: — And the area that isn't doing well is the whole agricultural area. And you can say it's because farmers are hauling larger implements over more acres. That's not necessarily true because the agricultural jobs also include the area of livestock, and all the rest of that, which only now you're beginning to address.

But again I turn back to the focus of what we're dealing with here, and the question I asked you had nothing to do with jobs in Manitoba or the ability of Saskatchewan small business to create jobs, which we've said all along is the real engine for growth.

The question that I had specifically, and I'd like to remind you what it was, is what is your department . . . how is your department dealing with the issue of the high unemployment of young people and the fact that young people initiatives . . . what initiatives are you taking to assist young people not only to get jobs, but also to create small businesses or initial businesses?

Hon. Mr. Lingenfelter: — I'll get you the actual numbers in the percentage of unemployment in young people in Saskatchewan and verse that against other parts of Canada, but there again it has been improving. Again not good enough and we'd like to do better and we'd like to have more kids staying in the province to work. But here again, I wanted to take you back so that . . . and I'll send you the graph of the out-migration because here again, it's very interesting.

In 1998, we were losing a net 7,000 people a year out of the province of Saskatchewan . . . (inaudible interjection) . . . What did I say? In 1988, sorry, and thank you for correcting me. But in 1988 were losing net 7,000 people, which meant 7,000 more families or people, working people, were moving out than coming to Saskatchewan.

That was at the worst point on the graph — and it's all neatly graphed out, I'll give it to you — but that's where we hit the peak. And then gradually every year it started improving until last year, in 1996, we actually broke even and had I believe a few more people moving into Saskatchewan than moving out, and that is very important . . . (inaudible interjection) . . . Well you laugh, but the point is we were losing 7,000 a year in 1988 and this is the first time in 14 years that we had net in-migration into the province. And I think that's significant.

And the reason we had more people moving in than moving out is because we have a shortage of workers. Now what areas do we have shortage of workers in for young people? In information technology. If you go to ISM (Information Systems Management Corporation) today they have established Information 2000 — ISM 2000 — in Regina. They are going to need 200 people doing the computers, of revamping computers for the year 2000. They've hired a hundred, and they can't find

another person in the province to hire and they're now looking worldwide to find people to go into information technology.

So if you're saying, where is there an opening for young Saskatchewan people? Information technology. In ag biotech, if you were to try to hire somebody for the centre in Saskatoon who has training in ag biotech to meet the needs, we're having to bring in people from other parts of Canada. Welders. We have a shortage of pipeline welders and welders for farm machinery manufacturing to the point where anybody who has training and wants to weld can get a job welding.

Those are three areas that we have shortage of workers. So counsellors and people who are interested in advising their young people where there will be openings in the future, information technology, computers. All of the projections are in Canada that we won't be able to fill that need and we'll have to import people from other parts of the world. Not only in Saskatchewan is there a shortage but there's a shortage across Canada.

The whole biotechnology, there will continue to be a shortage, and in the area of welding and machinery fabricating or metal fabricating there's a shortage there as well. So these are some ideas that I would suggest we need more young people.

The other small statistic that you'll want to keep in your mind when you're talking about how great it is in Saskatchewan, is that last year was the first year that we had more people moving from British Columbia to Saskatchewan than moving from Saskatchewan to British Columbia ever in the history of the province. So when you're thinking of good, solid, positive things to say about this wonderful province, that's a good one to keep in your speeches as well.

Mr. Gantefer: — Thank you, Minister. I know that there are more people moving back than there have been in the past and it may have a lot of other reasons for that.

The question that I think you've still missed . . . And I appreciate the three areas of jobs that you indicate are opportunities for young people. The other general question that I had in terms of the young people demographics is, what is your department doing, if anything, that potentially allows young people to not just necessarily work for the ISMs — and I recognize that that's very important — but what is your department doing specifically that in general would create opportunities for young people to set up their own small businesses that would create their own job and operate in that fashion?

Hon. Mr. Lingenfelter: — The member asks what we're doing to assist young entrepreneurs to get into business. I say again, through a coordinated effort between the Department of Education and the Department of Economic Development, I think the fundamental thing is opening up in the education system the option, and allowing young people at a very early age to be involved in the education system, to the advantages and opportunities that exist in small business. I think that's fundamental.

And I don't know how it was in your school but I remember when I graduated many years ago and you had all the graduates get up and say what they were going to do, all of them said how they planned to work for somebody else. They were going to be teachers. They were going to work within the health care system. They were going to be nurses. All of them were, except for the farmers. They were going to find ways to work for someone else.

What you find today is many young people, when they graduate from high school, clearly state as a goal and objective that they're going to set up a small computer company, that they're going to set up a welding shop, that they're going to go into business on their own. And this is a fundamental change.

And part of what we've done in the last five or six years is made that a viable option. And one of the reasons that we're getting more and more young people to stay in our province is because that opportunity is now there for them.

One of the main areas is in tourism where, especially in northern Saskatchewan but not limited to northern Saskatchewan, in fact in places like Nipawin and Meadow Lake, you see a large number of entrepreneurs, many of them young people, finding their way into business. And the lowering the sales tax, for example, by 2 per cent will go a long way to helping small entrepreneurs get into and stay in business.

We have the small business loans program which helps a great number, and the statistics are pretty amazing on how many people have used that program to start small home-based programs.

The immigrant investor fund of course, which is presently, I would argue, under attack by the federal government . . . And you may want to get into that a little bit and make a few phone calls to see if we can't stop the decimation of that program which has helped a number of small companies establish in western Canada. And you'll know that there is now a pan western approach to taking the federal government on on that issue, because if their plans to change immigrant investor program go ahead, it will virtually mean the end of that program. And over the past 11 years over half a billion dollars has come into Saskatchewan and created 7,000 jobs.

This will virtually end if your counterparts in Ottawa go forward with the changes that are being recommended at the present time. And I'd really urge you to make some representation to Mr. Goodale and to the Prime Minister to see whether or not, in this 30-day period of review that we're presently in, we can't in a common, coordinated way make an approach to the federal government that would make sure those changes don't take place. Because regardless of who's in government, this is going to slow down economic development in the province of Saskatchewan.

Mr. Gantefer: — Thank you, Minister. I want to carry on in the general sense today and I would like . . . You mentioned some of the things about tourism, specifically in the North.

I want to turn the attention to another group, demographic group if you like, and I'm thinking particularly of our aboriginal people. I want to know what your department is doing in terms of creating opportunities for our aboriginal people, where I think by everybody's estimates are the very highest levels of unemployment across the province. And I want to know how you see your department interfacing with the aboriginal people to not only have them have jobs but potentially business . . . economic future in that regard as well.

Hon. Mr. Lingenfelter: — Well the whole area of first nations people and job opportunities is a very important one. First of all, one of the things that I'm proud of is the fact that we have moved quickly since coming to government to deal with some of the outstanding treaty issues that were over 100 years old.

And if you remember back to the history of how the treaties started, when we came, our forefathers and parents, grandparents came to this country, we made a deal with the Indian people that if they gave up their land so we could use it, all of their land so that we could use it and build our homes and build our farms and build our ranches and build our towns, that we would give them 640 acres per family or about 126 acres per person.

Now there aren't many people in this world that would wait over a hundred years to get that bill paid. And one of the things that I'm proud of this government is that we've taken that issue on, whether politically popular or not, and started to meet some of those requirements of the treaties.

(1645)

And I know there are many people who say, well what the heck are you guys doing giving all this land away to first nations people. The fact of the matter is, if you look at who's getting land and who's taking land, I think if we were to go to the Indian people today and say, look we want to redo this whole deal, I think they would be very interested in working out a deal where we would all move out, they'd have all their land back, and we might have even a little bit harder bargain to bargain than what we do now in giving up 126 acres per person.

And so I think one of the fundamental things that we have done to help young first nations people and first nations people in general is getting some of those treaty obligations settled. And that's fundamentally important.

Other areas of course where we have made, I think, large progress is in the surface leases in northern Saskatchewan. In meeting with COGEMA the other day where they're doing expansions to their mines and new processing mill, they're saying that they now employ over 60 per cent Northerners on their sites in northern Saskatchewan. This is a big, huge change from what it was 15 or 20 years old ago where first nations people didn't have much chance to work in the mines in northern Saskatchewan. So that's been a huge improvement.

The other area of course is tourism. And today again we announced another first nations project jointly with the Canadian Tourism Council or Tourism Commission with

Tourism Saskatchewan and the FSIN to allow for the development of waterways in Saskatchewan in a joint fashion which will give opportunities for development to first nations people.

Of course I would be remiss if I didn't mention the operation of casinos in the province of Saskatchewan — both the casino in Regina and the four Indian or first nations-operated casinos. They are very, very proud of what they've been able to do in Saskatchewan.

And actually this agreement that was signed between the Government of Saskatchewan and first nations people is held up as an example of the way to do casino operations right across Canada. And there are many people coming to study this model from other parts of the world as a way of including first nations people in not only the jobs area but also in the administration and being on the board of directors.

Now there are many other ways. Of course in government, our numbers of first nations people continue to grow as a percentage of our total number of people working in government. We have, I think about 10 per cent of our population is aboriginal and first nations. We're not at that 10 per cent in government yet but we're moving in the right direction. That's important that we work towards and some day achieve that.

And finally, the area that I want to mention is in some of the JobStart and training programs — that first nations people are picking up many of those training spots and we encourage more of them to become involved.

Mr. Gantefer: — Thank you, Minister, and I know as well that my colleague will be undoubtedly talking more in specific about these aboriginal programs.

I want to continue on in the overview sense that I indicated that I would start with. And I would like to turn my attention now to the demographics of the women of the province and how your department sees your department interacting with women entrepreneurs and where there are opportunities for women in the province.

Quite often we see the ladies are in part time and in a situation where they have to take multiple jobs in order to provide income for their families. And I wonder if you would comment on where you see your department interfacing with women in the province to create real opportunities for them both by being employed in businesses and also to create their own independent entrepreneurial businesses.

Hon. Mr. Lingenfelter: — The role of women in our economy of course has been very fundamental. And obviously the members of your caucus who are female and members of our caucus who are female are good examples of women who have in their own right made their way in, in some cases in the private sector and some cases in government and in some cases, as with the Minister of Finance, as a professional educator at a university.

But the fact of the matter is that on the entrepreneurial side during the 1980s, in that tough time when the farms were not performing well, the people who came to the front and did a lot of the economic development of the small businesses in rural Saskatchewan were in fact women. And while the male farmer who was out there struggling along with their spouse to keep the farm going, a lot of the small cottage industries that were established to keep the farm going were actually headed up by women. And the statistics within the department show that the male counterparts aren't quite as competitive when it comes to success as their female counterparts in small business.

But I have to say that there's still a long way to go, because when you look at the average income of male and female in the same description of jobs, there still is a huge gap. And that's true right across the piece. And I was reading the other day about managerial positions, what has happened in the last 10 years in Canada. While the number of females in managerial positions has increased by 2 or 3 per cent, it's still very, very small when compared to where it should be at 50 or 51 per cent.

So while there's progress being made, I think that there are still huge opportunities for us to improve our position here in the province of Saskatchewan. But really it's much bigger than Saskatchewan. It really is as a country we're still not where we should be when it comes to opportunity and positioning of our daughters and females in our society.

Mr. Gantefer: — Thank you, Minister. I would like to turn to another aspect of your overall vision of economic development in the province. And I would like you to comment on how you see the relationship or interrelationship between economic development and things like infrastructure requirements.

It strikes me as that you might have an industry that is very gung-ho about creating economic development. And I'll even use the Bourgault example in St. Brieux, where it's very important for them to make sure that number one, that there's adequate schools, there's adequate facilities in terms of local government, there's adequate roads for which they can export their products on.

And so it's very important to economic development across the province that it's not looked at in isolation. That indeed there is the whole package and the broader vision that includes the required necessities for the employer and the employees by way of infrastructure.

And I would like to ask you to comment on how you see the role of your department interfacing with other aspects of government — Highways, Education, Municipal Government, all those other areas — to ensure that all the requirements are there so economic activity can indeed occur.

Hon. Mr. Lingenfelter: — Well you raise a very good point. And one of the reasons that the Premier established the Committee on Economic Development, which includes ministers from a number of different areas of government that talk about the economy as a holistic piece, is for that very reason that decisions that are made in transportation, or decisions that are made in many areas of government, affect the

very fabric of economic development in a community.

And so to try to do that in a sensitive way where you, with the limited dollars we have, build the right roads in the right places, try to structure an education system and health care system that's meaningful to the people in the community who pay for it, these are never easy but still, and at the end of the day, you have to do your best to make sure that those kinds of structures meet the needs of the community.

The approach that we have taken is one of partnership. And whether it's education, or whether it's roads, with the establishment of transportation committees in various areas of the province, or whether it's our health boards, we're moving much more towards including the communities as to where the limited dollars will be spent.

And I think the Saskatchewan people in general have picked this up with a fervour and very much want to be involved in the planning of their communities and the spending of the tax dollars that they receive. And the idea that somehow we should sit in Regina and decide, for example, which roads are the priority in the area or which hospitals are the priority of the area, or the schools for that matter, somehow can't work.

Is the system perfect? Obviously it's not. And there's a huge debate in the Englefeld area about schools, and the whole issue of which schools should be open and which shouldn't be. And I wish them the best in keeping the best system that they can in their area. But at the end of the day, much of that decision making will be made by local people.

But I want to say that this is not a new discussion. I remember back in 1955 and 1956, as one of the first political discussions I remember in our household, was when the Pilot school, which was a mile from our house, was being closed by the then Tommy Douglas government, as it was said in our house. And I remember the angst that when I started school I was the first one of nine children that couldn't go to that school — that one-room school with eight grades, one mile from our house — and walk to school and walk home every night.

And this was going to be the end of the world. They just could not figure out how this kind of change could be possible and how you could have an education system that would reflect the needs of the family who lived in that area, and the school bus would have to come and pick you up and take you 10 miles to school, and we'd have to ride on the bus for 30 minutes.

And lo and behold, if you think back to what would have happened if we had won that argument and had continued to have a one-room schoolhouse with eight grades, we wouldn't look very smart today, would we?

And so these changes, as they come and they flow, are best met by this partnership of communities that will work together to try to fine-tune a system so that we're not taking a snapshot of what we need today, or worse yet taking a snapshot of what was needed in the 1970s, or worse yet what was needed in the 1950s. But what's the snapshot or our vision of what will be there in the year 2010? And what is the system that we're about

to design, to create the picture of what our communities will look like going out into the future. And that has to be done in a sensitive way, including as much as we can the needs and aspirations of local people.

And so I say to the member opposite that this is a big task facing all of us to try to put the picture together as it should be for the future. Because the idea that was there in the 1980s that whatever the political pressures were, that you would go to New York and borrow money at high interest rates to meet some political needs to build more bricks and mortar, it isn't on, and nor is it morally right for politicians, for political purposes, to put future generations at risk because what I need for my political future.

And so I say this has to be handled sensitively. We're not going to be right all the time. But I'd prefer a partnership where the local communities are very, very much involved. And I think we'll work our way through this issue.

Mr. Gantefoer: — Mr. Minister, it's very gratifying to see that you're saying that local communities should have more input on the decisions that affect them and the whole infrastructure as well. But the reality is, in many instances you have to take your own responsibility.

Part of the reason why schools are being closed in local communities have nothing to do with the decision of a local community wishing that that school close. It is an issue resolved around financing and the fact that your government has moved from funding 60 per cent of education to only funding 40 per cent — and so local school boards are unable to do it.

And you can say it's their own local decision. It's quite easy sometimes, or it's quite easy to blame local people for making a certain decision when you're sticking a gun to their head and saying, now make the decision autonomously. That's what you've done and that's where I'm asking you, Minister, what about this whole infrastructure commitment with a bit of a vision for the future?

How will someone in Englefeld or in Annaheim be able to attract the kind of workers that they're going to need, educated for their expanding businesses that you're taking so much credit for? How are they able to attract those workers into their community when because of other responsible decisions that they're making, by the Humboldt School Division, for example, of having to close schools because of the fiscal realities that you've imposed on them. And you sit here and tell us that, oh you respect the local decision-making process. The local people have no choice but to deal with the fiscal reality you've imposed on them.

Some Hon. Members: Hear, hear!

Mr. Gantefoer: — And so, Mr. Minister, I mean it's a hollow kind of a commitment to say, oh it's so great that local people are making the decision, and that the reality is is that the one-room school is over. Of course it's over. But we'll talk about some more of these issues another day. I think we have

time.

Hon. Mr. Lingenfelter: — I just want to respond to the member opposite and then my colleague from Prince Albert will move the committee rise and report progress.

But I just want to say to the member opposite that, in terms of the percentage of money that goes to roads . . . and I know that there is a great wish that 100 per cent of the taxes that are collected on fuel tax would go to roads — and I wish that as well — or that the amount that goes to education was more.

But I want to tell you this, that in 1982 when I sat around the cabinet table at our last meeting and planned the budget in 1982, the E&H (education and health) tax that was raised could all go to education and health. There was no interest on the debt. No interest on the debt. The fact of the matter is today it's \$800 million and we have to use that money to pay interest.

And I know why the members are shouting time, because they don't want to hear about this. But I say to the member opposite, what rings hollow is at a time when this province is struggling to make its way, the federal government would use that opportunity to cut education and health. And so I think that rings hollow to . . .

The Chair: — Order. It now being 5 o'clock, the committee will rise, report progress, and ask for leave to sit again.

The committee reported progress.

The Assembly adjourned at 5:02 p.m.

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