

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to present a petition on behalf of concerned citizens of the province surrounding the abdication of the responsibility by this government regarding their gambling policy. And the prayer reads, Mr. Speaker:

Wherefore your petitioner humbly prays 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.

I so present.

Ms. Draude: — Thank you, Mr. Speaker. I also would like to present a petition today on behalf of people who are affected with young offenders:

Whereby your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take some responsibility for the ill effects of their 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.

I so present. The people that have signed this petition are from Regina.

Mr. McPherson: — Thank you, Mr. Speaker. I rise today to present petitions of people in the province that have been affected by big game damage. 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 for more fair and reasonable compensation to farmers and townfolk for commercial crops, stacked hay, silage bales, shrubs and trees, which are being destroyed by the overpopulation of deer and other big game, including the 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 Kincaid, Mankota area of my constituency.

I so present.

READING AND RECEIVING PETITIONS

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

Of citizens of the province petitioning the Assembly to establish a task force to aid the fight against youth crime; and

Of citizens petitioning the Assembly to change the big game damage compensation program; and

Of citizens urging the government to commission an independent study to review the social impact of gambling.

INTRODUCTION OF GUESTS

Ms. Stanger: — Thank you, Mr. Speaker. It is my pleasure and honour to introduce Elizabeth Weir, Leader of the New Brunswick NDP (New Democratic Party), seated in the west gallery. Her constituency is Saint John Harbour and she is the true opposition to Frank McKenna.

Accompanying Elizabeth is Didi Diagle, a friend of mine and an activist in the New Democratic Party. I ask all members to welcome Elizabeth and Didi to our legislature.

Hon. Members: Hear, hear!

Hon. Mr. Cline: — Well thank you, Mr. Speaker. Just by way of coincidence, I also want to introduce someone from New Brunswick who's with us today — namely, seated in your gallery, Marilyn Landry, and I'd ask Marilyn just to stand briefly. Marilyn is a guest with a keen interest in the parliamentary and legislative process, Mr. Speaker.

She is participating in the Canadian Political Science Association's parliamentary internship program in Ottawa, which as you will know is administered by your colleague, the Speaker of the House of Commons. The goals are to provide individual members of the House of Commons with expert help and to offer participants like Marilyn a chance to learn about parliament.

And Marilyn Landry is residing in Ottawa right now, completing a master's degree in criminology at the University of Ottawa. And I'd like all members to join with me in welcoming her to our province and to our legislature.

Hon. Members: Hear, hear!

Mr. Osika: — Thank you, Mr. Speaker. I would like to join in welcoming Ms. Weir to the Saskatchewan legislature on behalf of the official opposition here in this House, Mr. Speaker. I would also as well like to extend to all the guests in your gallery, Mr. Speaker, who are here today to see these proceedings and visit our building — I want to extend a warm welcome to everybody that's here in the legislature today to watch the proceedings.

Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. On behalf of our caucus, I would also like to welcome Elizabeth Weir to our Assembly. I had the privilege of meeting Ms. Weir last summer in Winnipeg at the CPA (Commonwealth Parliamentary Association) convention and I'm pleased to see her attend our Assembly, and ask everyone to again welcome them here today.

Hon. Members: Hear, hear!

Hon. Mrs. Teichrob: — Mr. Speaker, I'm very honoured to have this opportunity to introduce to you and through you to all members in the legislature, many guests from the multiculturalism community who are here today to observe the second reading of the multiculturalism Bill.

I'm pleased to introduce in . . . I'll introduce them in alphabetical order and I'd like them to stand as they're introduced, if you would: Mr. Ved Arora, representing the Saskatchewan Organization for Heritage Languages, and the Multilingual Association of Regina; Mr. Adrian Boyko, member of the Multiculturalism Legislation Framework Committee and president of the Ukrainian Canadian Congress; Ms. Erica Cancino, provincial representative from the Immigrant Women of Saskatchewan; Ms. Mary Chan, Vice-Chair of the Interim Multiculturalism Committee; Ms. Lydia Chatto, on the board of directors of the Saskatchewan Organization for Heritage Languages; Ms. Linda Dirkson, a member of the former minister's Advisory Committee on Multicultural Legislation, and executive director of the Moose Jaw Multicultural Council; Mr. George Gette, Chair of the Interim Multiculturalism Committee; Ms. Bula Ghosh, member of the Interim Multiculturalism Committee; Ms. Lianne Gusway, executive director of Hostelling International in Saskatchewan; Ms. Vera Hooton, president of the Prince Albert Multicultural Council; Ms. Joan Kanigen-Fairen, executive director of the Saskatchewan Organization for Heritage Languages; Mr. Keith Karasin, executive director, Regina Open Door Society; Dr. Eusebio Koh, a member of the Interim Multiculturalism Committee; Mr. Wade Luzny, executive director of the Multicultural Council of Saskatchewan; Mr. Denis Magnan, member of the former minister's Advisory Committee on Multicultural Legislation; Ostap Skrypnyk, from the Interim Multiculturalism Committee; Ms. Mary Mahon Jones, general manager, Saskatchewan Council of Cultural Organizations; Mr. Brian McKinstry, executive director, Saskatchewan German Council; Ms. Marge Nainaar, a member of the former minister's Advisory Committee on Multicultural Legislation, the Interim Multicultural Committee, general manager and program coordinator for the Prince Albert Multicultural Council; Ms. Mavis Palmer, representing the Multicultural Council of Saskatchewan; Mr. Ken Sagal, president, Saskatchewan Council of Cultural Organizations; Mr. Bill Ursel, Canadian Languages Network — that's SOHL (Saskatchewan Organization for Heritage Languages), the S-O-H-L.

And as well, a number that I . . . in the interest of time I won't name them, but a number of the dedicated staff in my

department who have worked with these committees and all of these groups through the process leading up to today.

And so I'd ask all members in the House to join me in welcoming these members of our multiculturalism community.

Hon. Members: Hear, hear!

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, on behalf of the official opposition I too am pleased to welcome members of the multicultural society here today. The many cultural groups within Saskatchewan truly do lend to the wonderful mosaic that makes our province such an enjoyable place to live in. And I'd ask all members to join with me in applauding your presence here today.

Hon. Members: Hear, hear!

Hon. Ms. Atkinson: — Thank you very much, Mr. Speaker. I'd like to introduce to all members of the Legislative Assembly, 26 students and parents that are seated in the Speaker's gallery. The 26 individuals are from the Regina Home Educators. They're joined by their teachers, Karen Henrion, B. Makellky, A. Linnen, Marian Persson, Mary Gust, and Judy Whiting.

I'd like to welcome the students and their teachers to the Assembly this afternoon and I hope they enjoy this afternoon's proceedings.

Hon. Members: Hear, hear!

Mr. Trew: — Thank you, Mr. Speaker. My legs were tiring out. I felt like a jack-in-the-box, popping up and down, and got more and more nervous as the proceedings wore on.

It is my delight to introduce to you and through you a number of guests seated in the west gallery. We have joining us today, Christina Jennings of Shaftesbury Films. Christina is up doing some site work in preparation for some filming of one of Gail Bowen's books, *Deadly Appearances*.

With Christina is Jeremy Hole, who is the writer that has been hired to make the transformation. Also in the group, Stephen Onda of Heartland Motion Pictures here in Regina, and Tamara Kelly, also of Heartland. And seated with those four are, of course, Gail Bowen, the writer of the series of books, and her husband, Ted Bowen.

I ask all members to join me in welcoming this group.

Hon. Members: Hear, hear!

Mr. Kasperski: — Thank you, Mr. Speaker. Mr. Speaker, it's my pleasure on behalf of my hon. colleague, the member from Regina Northeast, to introduce through you and to you to the members of the legislature, nine students from the new immigrant orientation program of the Regina Open Door Society. They're seated in the west gallery, Mr. Speaker, and they are here accompanied by their instructor, Mehmaud Bakaa. And they're here for a tour of the facilities. They've come on a

very appropriate day. I'll be meeting with them a little bit later. And I'd just like to have everybody here to welcome them here this afternoon.

Hon. Members: Hear, hear!

Hon. Ms. Crofford: — Thank you, Mr. Speaker. I think I'm going to have to grow a few inches. You always seem to see right over me to who's ever on the other side.

I'd like to ask members of the Legislative Assembly to join me today in welcoming Mr. Jim Durocher, the president of the Metis Nation of Saskatchewan. Jim. Thank you.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Sale of Channel Lake Petroleum Ltd.

Mr. Thomson: — Thank you, Mr. Speaker. As you know, I'm not particularly fond of members' statements, and as such to do two in two days is clearly an example of the good things that are happening in this community.

Mr. Speaker, I think given the recent debate in this Chamber about our Crown corporations, that it's important for me to help balance out some of the opposition's arguments with a few facts. As you know, SaskPower is a major employer in my community, but as such today it is with great pleasure that I tell you of one of its successes.

SaskPower has agreed to sell its wholly owned subsidiary, Channel Lake Petroleum Ltd., to Direct Energy Marketing Limited of Calgary. Channel Lake Petroleum consists primarily of Alberta oil and gas properties that SaskPower acquired in 1993 at a cost of \$25 million. Well, Mr. Speaker, I want to tell you that once the sale has met the necessary regulatory requirements and is completed by June 1 of this year, SaskPower will have achieved a \$5 million profit or 20 per cent return on its investments from this.

Some Hon. Members: Hear, hear!

Mr. Thomson: — As you can see, Mr. Speaker, our Crown corporations are taking a responsible and sensible approach to managing their investments in the best interests of their overall portfolios and their shareholders, the people of Saskatchewan.

Mr. Speaker, I invite all members, including the members opposite, to join with us in congratulating SaskPower on its good business decision. Thank you.

Some Hon. Members: Hear, hear!

North Battleford North Stars Win Northern Division

Mr. Hillson: — Thank you, Mr. Speaker. Coming as I do from the best community in the province, I must confess that there are rare occasions on which possibly my enthusiasm for the Battlefords causes me to run away with myself.

Last week I was at such an occasion where my enthusiasm may have gotten the better of me when I was paying tribute to the North Battleford North Stars winning the northern division of the SJHL (Saskatchewan Junior Hockey League) and I predicted that in the final series against the Weyburn Red Wings that humiliation and annihilation awaited Weyburn. The next game Weyburn scored 13 goals against us.

Mr. Speaker, the series is now over. I wish to say to the North Battleford North Stars, thanks for a great season. I say to the Weyburn Red Wings, congratulations and just wait until next year.

Some Hon. Members: Hear, hear!

Saskatchewan-made Film Debuts in Germany

Mr. Trew: — Thank you, Mr. Speaker. A number of weeks ago I had the pleasure of rising in the Assembly and acknowledging the success that our Saskatchewan film industry is having.

Today, Mr. Speaker, I again have the opportunity to congratulate our film industry and the success of the film *The Lost Daughter* which finished production this last February. The film, co-produced by Minds Eye Pictures in Regina and funded in part by SaskFILM, was a viewers' choice hit in Germany where over 11 million people tuned in to watch the world premiere of the four-hour miniseries. The same success is expected in other countries throughout Europe, the Orient, Australia, and North America as the film makes its debut there.

This film, starring Richard Chamberlain, focuses on the manipulation and religious doctrines of cults and how victims fall prey to them. It is based on actual events of the cult tragedy that took place in St. Casimir, Quebec.

The Saskatchewan film industry is exciting, vibrant, growing, and it is demonstrating that it can produce quality films that appeal to the public. Working in partnership with private companies, the Sask film industry will not only provide us with quality films, it will also generate growing economic benefits for the industry and the people of Saskatchewan.

I congratulate Kevin Dewalt, CEO (chief executive officer) of Minds Eye Pictures and executive producer of *The Lost Daughter*, along with the many other staff members who worked long and hard on this project. Thank you.

Some Hon. Members: Hear, hear!

Passing of Mr. Fred Heal

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to express my sincere condolences to the friends and family of Fred Heal, who passed away last Sunday. Mr. Heal received his Ph.D. in environmental studies in 1972 and later served this province in the departments of Environment, Energy, and Economic Development.

But he was perhaps best known for the integral role he played

as executive director of the Meewasin Valley Authority. He was a key figure in developing Wanuskewin Heritage Park and the partners for the Saskatchewan River Basin. Wanuskewin is a testament to Saskatchewan's beautiful landscape and the rich history of the native people. It is also a testament to the creative vision and energy of Fred Heal.

Fred Heal was a well-respected member of the parks development community, the city of Saskatoon, and our province. I am told he was an adventurous spirit and that he valued his associations with first nations people.

Mr. Speaker, I am sure that all members of this Assembly join me in expressing my sympathy to those close to Fred Heal. He will be sorely missed by all who knew him.

Some Hon. Members: Hear, hear!

Saskatchewan Country Singer of the Year

Hon. Mr. Wiens: — Thank you, Mr. Speaker. My remarks today are about Rosetown's musical talent. I'm not talking about myself, Mr. Speaker, although anybody wanting to come to the concert of the Regina Philharmonic Choir on April 26 is welcome. I gave up . . .

An Hon. Member: — What about the concert tonight?

Hon. Mr. Wiens: — And the concert tonight.

I gave up having my name in lights when I realized that you, Mr. Speaker, and the member from Moose Jaw Wakamow, could not be competed with in your group, the Loose Jaws from Moose Jaw.

I'm talking, Mr. Speaker, about somebody recognized for her musical talent outside the halls of government. I'm talking about Marilyn Faye Parney, Saskatchewan's country music entertainer of the year and a resident of Rosetown in my constituency.

Marilyn and her band, Rose Country, were nominated in no less than 11 different categories this year. In addition to winning the award for entertainer of the year, Marilyn also won the award for song of the year for her composition, "Paradise," a romantic ballad.

Members of this Assembly will agree I'm sure, that it's also an apt description of the experience of living in this, the best province in the best country in the world. In a recent interview, Marilyn said that she prefers to stick close to home instead of moving to Nashville. Some country music performers don't feel accepted at home, but Marilyn said the people of Rosetown have always supported her. There's a lesson there, Mr. Speaker, for all of us — supportive communities matter.

Saskatchewan's commitment to community is what makes it the best place in the world to live.

Of course the Rosetown-Biggan constituency seems to be a more than inspiring place than most. Two other constituents,

Terry Harris and Wiseton resident Dianne Fullerton, were also nominated.

I ask you, Mr. Speaker, and all others to join me in congratulating these Saskatchewan talents, and particularly Marilyn Faye Parney.

Some Hon. Members: Hear, hear!

Congratulations to Speed Skaters from Melville

Mr. Osika: — Thank you, Mr. Speaker. It's always a pleasure for me to recognize the efforts of young people, Mr. Speaker, and I'd like to do so today in the House — to recognize the achievements of two youths from my constituency.

Recently in the Canadian short-track speed skating championship, Chelsey Parker won a bronze medal in the juvenile girls' category, while Kerry Simpson won a bronze medal as a member of the juvenile-intermediate-senior female relay team. This happened in Charlottetown, Prince Edward Island.

Both girls are members of the Melville Speed Skating Club and earlier this year both girls had won the gold medals in the Canadian long-track speed skating championships in British Columbia.

I'd just like everyone to join me in congratulating Chelsey and Kerry, along with the Melville Speed Skating Club, for all their achievements, their efforts on behalf of young people. Thank you.

Some Hon. Members: Hear, hear!

Bed and Breakfasts Part of Our Growing Tourism Industry

Ms. Lorje: — My constituent, Kathy Chaplin, operates Chaplin's Bed and Breakfast on her farm 14 kilometres south-east of Saskatoon. In addition to a comfortable bed and a fine breakfast, she offers exposure to cows, goats, pigs, chickens, rabbits, and one mean turkey — luckily kept in a cage.

She tells me that many of her guests have children with no idea of where food comes from. When told how eggs arrive, one child told her to "get real."

So Ms. Chaplin provides a valuable educational service as well as an attractive, economical, and pleasant retreat for the vacationing public.

Kathy and the 100 other bed and breakfasts in the province are a strong part of our rapidly growing tourism industry in Saskatchewan. And I am happy to use this Assembly to give them a promotional boost.

Tomorrow and Saturday, the Saskatchewan Country Vacations Association is holding its 25th anniversary party and conference in Saskatoon. Members of the association have

advantages in marketing, networking, and quality control. If you see the black rooster symbol of the association in the window of a B&B (bed and breakfast), you know that the establishment has met the highest esthetic and safety standards, and you know you will be treated well, fed royally, and entertained appropriately.

I wish Kathy Chaplin and all members of the SCVA (Saskatchewan Country Vacations Association) all the best in their efforts to boost Saskatchewan tourism. Thank you.

Some Hon. Members: Hear, hear!

Edam First Responders Win Skills Competition

Ms. Stanger: — Thank you, Mr. Speaker. Every member of this Assembly has come home or picked up the phone only to learn that some medical emergency has occurred involving a member of their family or a close friend. Each one of us has wondered what kind of care our loved ones received while they were waiting for the ambulance to come. Was the first person on the scene capable? Were they a source of comfort? Were appropriate steps taken?

Well in Edam, Mr. Speaker, families don't have to wonder any more. A team of Edam first responders provided a province-wide skills competition and it proved that they were the best in the province.

This competition was a realistic enactment of the role first responders play. Julie Levasseur, George Greening, and Dianne Weitzel were given a scenario of a farmer caught in a power take-off shaft. They had to assess his injuries, treat them, and report to the ambulance, which arrived 20 minutes later. The Edam team knew what to do, Mr. Speaker, and as a result they won.

Mr. Speaker, such a display of skill is no surprise to anyone who's worked with a first responder. They provide an important service in dozens of rural Saskatchewan communities.

Neighbours helping neighbours, Mr. Speaker — that's the Saskatchewan model of community spirit.

Mr. Speaker, I ask you and all members of this Assembly to join me in congratulating Edam first responders on their success in this competition, and all Saskatchewan first responders who save lives in our province every day.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Gun Control Legislation

Mr. Hillson: — Mr. Speaker, Alexa McDonough, the federal NDP leader, is known as a very strong supporter of gun registration and gun control. Indeed she based her campaign for the federal NDP leadership on her support for the gun registration.

My question of the Minister of Justice is, in the unlikely event that the NDP form the government after the next federal election and Alexa McDonough is our new prime minister, what will happen to his court challenge against the federal government, against the gun registration? Will he continue to pursue that litigation or will it go away? Is this case against the federal government just political grandstanding?

Hon. Mr. Nilson: — Thank you, Mr. Speaker. Well once again we start off with plain lack of information. It's the Alberta case that we're supporting. Now what we have here, very clearly, is Liberals who once again don't understand what all the issues are and where Saskatchewan people are on this.

The NDP as a federal party, but also as a provincial party, and this government are very strongly behind the people who say that the federal government screwed this up royally. And basically what we have is a situation where a Saskatchewan suggestion, which was joined by Alberta and Manitoba, which was joined by the members opposite — and I think the member in fact sitting right in front of you who is a strong supporter of the position this province took — the members over in the third party, we went together and said to Ottawa: look, if you listen to us, we'll show you the Saskatchewan way of doing this that will make sense.

And we are very, very surprised that you would now raise this question.

Some Hon. Members: Hear, hear!

Mr. Hillson: — I'm sorry that the Minister of Justice is surprised, but NDP supporters are perplexed. Tommy Douglas supported gun registration, Alexa McDonough supports gun registration, the federal NDPs support gun registration. Is your opposition to gun registration personal and passionate and deep, or is it just a matter of political convenience and some political theatre?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, normally it's my task to answer questions, but today I'm going to ask. Have those people across the House changed their position in the last three or four weeks? I've been on the platform with some of these people, speaking in support of the Saskatchewan government's position against the federal gun registration laws. And I think it's very clear that there's a further example of the "one day this, one day that" Liberal Party.

Some Hon. Members: Hear, hear!

SaskTel Revenue Sources

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, the minister in charge of SaskTel's phone is about to ring again today and I hope someone's home to answer.

Mr. Speaker, the minister was questioned yesterday about the Crown company's apparent plans to look at the possibility of higher local rates. She indicated SaskTel is not planning on

hiking rates, and we're planning to hold her to that commitment.

Mr. Speaker, the minister also noted that SaskTel must develop other income sources to replace the lost long-distance revenues normally used to subsidize local rates. She stated the Crown company has a plan to derive at least 40 per cent of its revenues from non-traditional sources by the year 2000. This comes as something of a concern, given the government's NST Network investment failure which cost the taxpayers \$16 million.

Will the minister indicate what those other future sources of revenue will be and explain how many millions of Saskatchewan taxpayers' dollars she's willing to put at risk this time?

Hon. Mrs. Teichrob: — Mr. Speaker, I don't know who the member opposite has been listening to. Maybe it's Sprint or AT&T that's planning to raise rates, I don't know. He wants to pass legislation making the REDA (regional economic development authority) boundaries exchange area boundaries, raising the local rates in Saskatchewan by \$46 a line, costing \$73 million in long-distance revenue if the Liberals were in charge.

I don't know why he's worrying about that because the position of his leader is that he'd privatize SaskTel and then he wouldn't have any influence over any of those decisions, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Mr. Speaker, the minister answers the phone but she's not willing to listen. I asked a question; she did not touch on the question. I will repeat the question. Will the minister indicate what other future sources of revenue will be and explain how many millions of dollars that you are willing to put at risk?

Some Hon. Members: Hear, hear!

Hon. Mrs. Teichrob: — Mr. Speaker. I haven't got a crystal ball, Mr. Speaker. I have no idea of what might happen 10, 20 years in the future. What I have said is that we have, in our diversified portfolio now, we have some work in the Philippines, we have participated in the Chunnel . . . I keep getting a busy signal every time I try to talk to them, Mr. Speaker; can't hear a thing.

And we have sold the hospitality network and some of our other inventions worldwide. We have a whole range of diversified portfolios. We have strategic alliances with a hundred and sixty Mobility dealers throughout the province. We have a strategic alliance with Western Business Machines on Internet.

We will keep looking for good, solid, businesslike opportunities, Mr. Speaker, to enhance the revenue stream of the telephone company which we manage on behalf of all the shareholders of Saskatchewan, being the owners.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Mr. Speaker, myself along with the taxpayers of Saskatchewan still have no idea how many dollars of their money is going to be at risk. I'll try it another avenue.

Mr. Speaker, if SaskTel is trying to generate more revenue by investing in ventures overseas, the people of Saskatchewan need to be assured their tax dollars are invested wisely. Following the NST fiasco, residents of this province are demanding better accountability. Clearly serious mistakes were made in this venture and steps must be taken to ensure that failed investments don't become routine.

Will the minister explain in the House today what measures she is undertaking to tighten the criteria for future investments and will she table that criteria?

Some Hon. Members: Hear, hear!

Hon. Mrs. Teichrob: — Mr. Speaker, I am very glad to provide a response to that question. Of course we are very concerned as managers of the company owned by Saskatchewan taxpayers. And as usual when this happens, when business arrangements don't go as you projected, you always, always do an internal examination, and this has been done.

In addition I have instructed, as chairman of the board, the audit committee of the board to do an independent review with assistance from external sources and to provide me with a report based on all of the chronology, all of the events that unfolded from October of 1994 when this project was first initiated to its recent conclusion, Mr. Speaker. And when I have that report in hand, we will make decisions at that time.

But we do act prudently at all times, Mr. Speaker, as caretakers of the investments that belong to the people of this province.

Some Hon. Members: Hear, hear!

Youth at Risk

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, the Office of the Children's Advocate released its 1996 annual report yesterday and in it . . . and in that report listed a number of key concerns that the Children's Advocate has. Among these, the need to better protect children from sexual exploitation including child prostitution. Obviously this is a point that members of this House can all agree on.

However it concerns me that the Children's Advocate does not have the authority to conduct a formal review of broad social matters, such as the growing problem involving sex for solvents, which I have raised several times. Obviously having the Children's Advocate spearhead such reviews would be an important first step in addressing this and other issues.

Will the Minister of Social Services explain if this is a concern of his, and how does he plan on addressing it?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, to point out to the member that the Children's Advocate was a creation of this government, and that this Children's Advocate has wide-ranging ability to comment and to recommend on many areas of government, as the member should know if she's looked at the most recent report.

Perhaps, Mr. Speaker, I could quote from the most recent report of the Saskatchewan Children's Advocate where she says:

Government, in Saskatchewan, has implemented a well recognized and highly respected Child Action Plan. Community advocates are being supported in their efforts to ensure that children are valued and protected through the provision of Prevention and Support Grants and other initiatives. There seems to be a sincere effort being made by politicians and community members to respect children, youth and families.

Some Hon. Members: Hear, hear!

Ms. Julé: — Mr. Speaker, we believe that there is a clear option that this government could exercise if it is truly concerned about children, and it could ensure the Children's Advocate has the ability to review social issues that are of concern to Saskatchewan residents and subsequently raised in this legislature.

The Ombudsman and Children's Advocate Act provides the legislature with the power to create an all-party committee which may, and I quote from that book:

At any time refer to the Children's Advocate for review, investigation, and report any petition or matter relating to the interests and well-being of children that is before the committee for consideration.

What we need is an all-party committee and it's up to this government to provide for that.

Mr. Speaker, it seems only reasonable that when Saskatchewan people bring serious concerns to the members of the Assembly there be an avenue to ensure important issues can be referred to the Children's Advocate for proper review. Will the minister make a commitment in this House today to establish an all-party committee to address the need for reviews and investigations surrounding the issues of youth at risk?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, in some sense it's an all-party committee sits in this House on a daily basis. And it would be very helpful if this House could join together in this Chamber and express the unanimous will of this House that we should move quickly as we possibly can as a nation in establishing the national child benefit.

I want to report, I want to report, Mr. Speaker, what the Children's Advocate has observed in the report delivered to this legislature yesterday. She said and I quote, Mr. Speaker: "Saskatchewan's Premier (Saskatchewan's Premier) has

become a champion of the rights of children to live without poverty." That's the Premier of Saskatchewan, Mr. Speaker. I invite every premier, I invite the Prime Minister of Canada, to move forward on the national child benefit much sooner than July 1998.

Some Hon. Members: Hear, hear!

SaskTel's Failed United States Venture

Mr. Goohsen: — Thank you, Mr. Speaker. Mr. Speaker, my question today is to the minister in charge of SaskTel. Madam Minister, it's now clear who the fall guy was in this whole botched-up NST deal. Our researchers have checked the timing. Early last year when you realized that this thing was going into the tank, you canned Fred Van Parys. Of course Fred got a much softer landing than the fellow that worked for Bre-X that walked out of his helicopter.

Fred got a one-year paid vacation, paid for by the Saskatchewan taxpayers. Nice little reward for losing \$16 million, wasn't it, Madam Minister? Well, Madam Minister, isn't this the real reason that you got rid of Fred Van Parys? Because of this fiasco that he cost \$16 million to the taxpayers of Saskatchewan?

Hon. Mrs. Teichrob: — Mr. Speaker, the musings of the member opposite are very interesting but the answer is no.

Mr. Goohsen: — Thank you, Mr. Speaker. I have a subsequent question to the minister. Madam Minister, the timing of all this is very interesting. Fred Van Parys got you into this fiasco.

Apparently that's why he was fired, I suspect from the research that we've done, in January. Remember now, January 1996. But it wasn't until April of 1996 that you decided to put the Premier's buddy, Don Ching, the best guy you could find to run the outfit, you said, into position.

In between those two events — in February of 1996, Madam Minister — cabinet pumped another \$9 million into this fiasco. Whose decision was that, Madam Minister? Poor old Fred had already gotten the boot. Now you hadn't hired Ching yet. And I can only assume that you then were the one that recommended this decision.

Madam Minister, who was in charge of SaskTel in February of 1996? Who made the decision to flush another \$9 million down the toilet?

Hon. Mrs. Teichrob: — Mr. Speaker, I guess the member opposite has a lot of friends who lost a lot of money in Bre-X and he can't help them out so he's feeling very bitter about it . . . (inaudible interjection) . . . That was in Alberta, yes. Tory friends in Alberta.

Mr. Speaker, as I've said, we will have a report done. We're asking the audit committee. In fact I'll table the letter, the copy, the letter of direction to the audit committee which carries out actually a direction that was given on February 26 at a board of directors meeting.

And in due course the report will be available and we will make known whatever details are available at that time, Mr. Speaker.

Mr. Goohsen: — Thank you, Mr. Speaker. My subsequent question is to the same minister. Now you went in, Madam Minister, to your cabinet and you recommended throwing another \$9 million down the drain even though, by your own admission yesterday, you hadn't done any kind of analysis.

Madam Minister, you've now had another day to think about this. Will you take responsibility for your actions? Will you resign and do the honourable thing?

Hon. Mrs. Teichrob: — Mr. Speaker, no.

Some Hon. Members: Hear, hear!

Pornography on the Internet

Mr. D'Autremont: — Thank you, Mr. Speaker. My question is also for the Minister of SaskTel.

Madam Minister, the other day the Minister of Justice was questioned about pornography on the Internet. He said it was difficult to stop this sort of thing because it comes from all over the world. That's true. But it would be relatively easy for SaskTel's Sympatico to monitor and block use-net news groups dealing with child pornography and other obscene and illegal materials.

America Online does it. In Germany it's the law — Internet providers are required to block obscene news groups. Madam Minister, why aren't you blocking this garbage? Why is this sick material available to every one of your Sympatico subscribers in Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, I'll respond to that question as it relates to a number of the initiatives that we're attempting to do in coordination with other provinces and the federal government as it relates to this insidious problem.

And I appreciate the suggestions that are made and I know that SaskTel internally is looking at this as well. But a number of the issues as you've raised, for the countries in Europe where they have federal laws that govern this, makes it much easier for the operating companies to take steps like this. And all I can say is that because of the way our country is set up, it has to be examined carefully by all of the jurisdictions.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. Again to the minister responsible for SaskTel. America Online is not a federal government, it's an independent company and they have taken the initiative.

Madam Minister, the people who are putting this garbage on the Net are not trying to hide it. Here are some of the use groups available right now on SaskTel Sympatico:

sex.pedophilia, sex.beastiality, sex.boys, erotica.urine, and sex.necrophilia, which includes several entries entitled "Dead Girls." Sick, perverted, Madam Minister, is what this is.

If someone was selling this kind of material at the corner store, your government would be charging them, and rightly so. Yet this garbage is available through SaskTel Sympatico right now, where it can be easily accessed by everyone, including children, Madam Minister. This material is not only sick, but much of it is illegal under the Criminal Code of Canada.

Why isn't SaskTel Sympatico blocking it as other corporations are doing?

Hon. Mr. Nilson: — Mr. Speaker, I would agree with the member opposite that however he's found out about these various items on the Internet, that they are totally and inappropriate things to have available to especially children.

And what I would say is that we are working very closely together with other jurisdictions, Conservatives in Manitoba and in Alberta, the people right across the country, to try and deal with this. As I said last week, the Criminal Code has very clear rules about this.

There's difficulties on enforcement, which is what we're talking about. And if you do know of information like this, you should advise the police and make sure that they know about this. Because part of it, part of this is actually discovering where all of this kind of smut is.

Prosecutions Review Report

Mr. Hillson: — Mr. Speaker, the Martin report was highly critical of the minister's directive regarding the treatment of women who refuse to cooperate in the prosecution of men who have assaulted them. In my own legal career I was often times disturbed with the number of times that women who had been assaulted and then did not wish to proceed with the prosecution ended up being charged, even thrown in jail themselves.

Now I asked the minister about this two days ago. His answer was that he's going to have to think about it. He's had the report for six weeks. How long will he have to think about whether this is an appropriate way for our justice system to treat battered women? Surely, we've paid 150,000 for the Martin report, the time for action is now.

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, the question that I gave before is the same question I'll give . . . answer I'll give today. And basically what it is, is that in this report they've raised some questions about some ministerial orders, which I think in the one that the member's referring to in this instance have been in place since 1982 or 1983. And what happens is, I need to receive advice from the competent workers within the department of public prosecutions and also in consultation with the various women's groups in Saskatchewan to look at how this policy was initially implemented, what its history has been, and then where we should go from here. I don't think it's a

black and white decision and it's one that we need to do with fairness and balance, as this government always does.

Some Hon. Members: Hear, hear!

Mr. Hillson: — Mr. Speaker, the minister is right. The directive has been there a few years and for all those years women's groups have been critical, legal aid lawyers have been critical, women thrown in jail have been critical. They get charged with mischief and obstruction — their partners go scot-free while they sit in a prison cell with their black eyes.

Mr. Speaker, the minister did respond very quickly, the minister responded very quickly when the Martin report said buy computers, send prosecutors to media relations courses, beef up the staff. But the real issues that are going to restore public confidence in the administration of justice are to deal with some of those directives that the operational side of the Department of Justice . . . You've had it six weeks. What sort of time frame will it take for you to do this? It didn't that long to decide to buy computers. Why does it take that long to deal with an issue that women have been critical about for years?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, it's unfortunate once again to refer to the fact that there aren't all the facts available to the hon. member when he raises the question. This particular issue is extremely difficult. As many of you know who have been involved in the Saskatchewan community, the Canadian community, there was a very strong pressure to have an automatic charge as it related to spousal abuse. And basically the point was that there were many situations where women, primarily, were scared to lay charges. And so basically the government, through the department of public prosecutions in response to the public, said, we're going to take over and lay those charges to provide a protection to women. That was the policy decision made at that time.

What the member has raised here is that there are some instances where that has some other, adverse effects. That is the issue that we are examining. We have to examine it carefully. But we can't throw out the other very important protection for women.

Some Hon. Members: Hear, hear!

Ms. Draude: — Thank you, Mr. Speaker. Obviously the Minister of Justice . . .

The Speaker: — Order, order, order. Order, order.

Ms. Draude: — Thank you, Mr. Speaker. Obviously the Minister of Justice doesn't see the need for immediate action on this issue, but we do. The seriousness of this problem is escalating and Saskatchewan women are not getting the support they deserve from this government.

The minister said he is awaiting advice, but how much longer are battered women supposed to wait? Every year more than 20,000 women are abused by their partners and their husbands.

One out of every four women in this province suffer from some sort of abuse.

This government has a Women's Secretariat, Mr. Speaker, who has the responsibility to bring women's issues to the attention of this government. Will the minister responsible for the Secretariat tell us what she has done, if anything, to lobby the Justice department to scrutinize this policy of charging women with mischief when they have chosen not to proceed with abuse charges against their partners?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, it's very unfortunate that people who attempt to consult get such a narrow view of what this issue is. There are some problems that have been identified, and those have been discussed. What I would say, to make the kinds of comments that the member has just made about this government and their role in working with women is just unbelievable.

One of the areas that we are very proud of in this government is our Victims of Domestic Violence Act. That legislation is legislation that leads in the country. We get calls and letters regularly saying, how is this legislation working? How can we emulate it in other parts of Canada and other parts of the world?

We drafted that legislation in consultation with the people of Saskatchewan, primarily the women of Saskatchewan, and we ask you very clearly to talk to the people of Saskatchewan before you make these kind of comments.

Some Hon. Members: Hear, hear!

The Speaker: — Order, order. Order.

MINISTERIAL STATEMENTS

Government Transportation Strategy

Hon. Mr. Renaud: — Thank you, Mr. Speaker. To you and through you to the members of the Assembly, I will make the following ministerial statement.

Earlier this spring the Minister of Finance announced our government's commitment to invest \$2.5 billion over the next 10 years to improve and upgrade our transportation system in Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Renaud: — That commitment was an excellent first step towards improving our transportation system and ensuring it meets our economic and social needs well into the future.

Today our government is taking the next step. I am pleased to announce the government's comprehensive transportation strategy. Investing in transportation is a long-term, comprehensive plan that will set the strategic direction for modernizing our transportation system. Our plan proposes to build on the successes of the past and ensure a safe, reliable,

and efficient transportation system into the future.

Many of the initiatives in our plan are aimed at enhancing our competitive position in the global market-place, and reducing the cost of doing so. We will be encouraging competition in the transportation system because competition means lower freight rates and better service.

The grain handling and transportation system is currently characterized by duplication and inefficiencies. We will encourage the use of modern logistic practices, reduce duplication and activities that do not provide value added to the customer.

In addition, we will be assisting local communities and businesses in the formation and growth of short-line railroads, Mr. Speaker — short-line railroads in Saskatchewan through our newly formed short-line rail advisory unit.

We will be pursuing the development of strategic road and rail links to enhance the competitiveness of Saskatchewan exports in accessing expanding markets in the United States and Mexico.

Some Hon. Members: Hear, hear!

Hon. Mr. Renaud: — In the area of trucking, our plan proposes to make truck safety an overarching consideration. To this end, I am pleased to announce we will be working with the University of Saskatchewan to form a truck safety institute to examine all areas of truck safety and ensure that Saskatchewan is a world leader in this area.

Our plan also proposes to make our truck sector more efficient and competitive by expanding the trucking partnership program, Mr. Speaker. Our plan proposes to work toward reducing the amounts of road damage we incur each year by increasing fines for overweight and over-dimension vehicles. In addition the legislation also empowers the government in certain instances to make the shipper of a commodity equally liable for overweight damages.

We will also be introducing a new system of enforcement by rewarding exemplary carriers and allows the government to focus its enforcement resources much more effectively.

Area transportation planning is an effective method of ensuring that the entire transportation system is considered when investing scarce resources into the infrastructure. As part of our plan, we will work with SUMA (Saskatchewan Urban Municipalities Association) and SARM (Saskatchewan Association of Rural Municipalities) to facilitate the expansion of this concept to all areas of the province where there is local interest.

Finally, I am extremely pleased to announce that our plan calls for the completion of Highway No. 1 twinning, border to border, and the twinning of the Yellowhead highway between Saskatoon and the Alberta border over the next 15 years. With meaningful cost sharing from the federal government, Mr. Speaker, we could accelerate that time frame.

Thank you very much.

Some Hon. Members: Hear, hear!

Mr. McPherson: — Thank you, Mr. Speaker. I would like to respond to this ministerial statement today by saying the hopes of Saskatchewan people today were let down. Sure, if we look at the report, there's a few initiatives that I think you're on the right track with; but to call it a comprehensive document, a comprehensive report, dealing with everything Saskatchewan people had waited for since it was announced in the throne speech — that's just not the case, Mr. Minister.

What they thought was coming down was a document which would paint a picture for Saskatchewan people, that would paint a picture that would fill in where we're going with our highway and road system, and fill in all the blanks and paint the picture of what our rail line network, our branch lines, would look like 5 years, 10 years down the road, 20 years down the road.

Mr. Minister, when we take a look at this document, none of that is clear. You can read from cover to cover in this . . . Sure you've highlighted a lot of concerns, you took stock of where we are today; but to say that you have an overall plan here — that is just not the case.

Some Hon. Members: Hear, hear!

Mr. McPherson: — You should have, Mr. Minister, you should have touched on many more things. If we take a look at what you're proposing as a solution for branch lines by having your short-line advisory unit in the Department of Highways and Transportation . . . I had high hopes not so long ago when you mentioned this in a response in question period. But to supply some advice to potential investors — if you think that's as far as you should go in a province that is so dependent on agriculture and exports and the movement of those products, you're not even on first base. Much more should have been done.

Unless I am going to assume that you and your government are fully prepared to support perhaps the Bill that . . .

An Hon. Member: — Not a chance.

Mr. McPherson: — Two Bills. Not a chance, the Premier says. You should be supporting the Bill that deals firstly with what is recognized by SARM. And many of the investors are hopeful short-line regional operators. They are saying that we can't have the kind of restrictive agreements, collective agreements from CNCP (Canadian National and Canadian Pacific), put onto the short-line operators.

And it's not that we're opposed to the employees of these systems. The fact of the matter is there are too many restrictions there. We've got to have them . . . or allow them to work in the environment where perhaps the engineer can go back and fix the hitch on the last car or the flagman can repair the headlights on the train.

And this, Mr. Minister, should have been a first step in a process. You should have . . . That should have been the first step.

Another thing I think what the people of Saskatchewan were looking for and you didn't address were some of the overall . . . the broader issues — creating that environment, Mr. Minister, that is necessary out there.

You have got to answer where you stand, where your government stands, as far as elevator closings and what you're going to do about it. You can't sit back and say, well we're not going to touch that one, you know, because you're friends of grain-gathering companies.

How can you do that? What's the use of standing in here and saying that you're going to do something to protect branch lines and railroads and there won't be any facilities out there to haul the grain to? It should have been dealt with.

Issues such as ownership of rail bed, the rails, the role of the provincial government, the federal government, how you're going to . . .

The Speaker: — Order, order, order. The minister was fairly lengthy in his ministerial statement and the hon. member has been provided equivalent time in response, and I'll recognize another member.

Mr. Goohsen: — Thank you, Mr. Speaker. Mr. Speaker, I want today to start off by congratulating the minister and the government of this province for at last publicly acknowledging the need to double lane No. 1 and No. 16 highways in their entirety. I congratulate you for that. We need to do that.

(1430)

But unfortunately, Mr. Speaker, I may not be alive long enough to see it done. I want to know if the minister thinks that it will be beneficial for me when I'm driving to Maple Creek next week. If I get killed on the road, what good it'll be to have the road double laned 15 years from now.

Obviously this government has demonstrated that when they have long-term programs . . . and we encourage programs that are planned ahead because that's how you get things done. However, when they plan them it is always to do the work at the end of the program or at the end of the time. We've seen that with the Highway budget.

Mr. Speaker, the reality is that this government only has two years left in their mandate. They'll never be able to complete a 15-year program because they won't be the government any more.

Some Hon. Members: Hear, hear!

Mr. Goohsen: — They missed the important point, Mr. Speaker, here that has been discovered by the South-west Saskatchewan Transportation Committee that has sat in conference for the last couple of years. This process and this

whole problem of transportation has been studied to death in this country and these people have clearly identified in their report all of the things that need to be addressed. We don't need to study it any more — SARM, SUMA, the chambers of commerce, all of the agriculture-related industry have been involved in this process, and they have said there is one number one thing that is wrong and that is successor rights in terms of setting up short-line railroads.

And the number one thing that has been identified, this report totally ignores it. And if you totally ignore the most important thing in it, what good is the rest of the fluff to anybody? It is that, only that — a whole document of fluff to cover up a very important issue, Mr. Speaker.

So, Mr. Speaker, I encourage the Minister of Transportation to shorten up his 15-year plan to something realistic like a 5-year plan. I know he can't do it overnight, but we can do it in five years. You've got Crow money coming, you've got GRIP (gross revenue insurance program) money that you took out of the farmers, you've got a bag full of money you don't deserve to have — spend it on the farmers' roads and on short-line railroads.

Some Hon. Members: Hear, hear!

The Speaker: — Order. Order, order, order. All the appropriate participants have participated in that ministerial statement. Further ministerial statements?

INTRODUCTION OF BILLS

Bill No. 46 — The Highways and Transportation Act, 1997

Hon. Mr. Renaud: — I'm looking for it, Mr. Speaker . . .

An Hon. Member: — Is it first reading?

Hon. Mr. Renaud: — It's first reading — it is first reading. And I know I have it here somewhere . . . (inaudible interjection) . . . Well I have it, somewhere I have it. Oh, here it is — here we go, here we go.

Mr. Speaker, I move that Bill No. 46, The Highway and Transportation Act, 1997 be now introduced and read the first time.

Some Hon. Members: Hear, hear!

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

ORDERS OF THE DAY

WRITTEN QUESTIONS

Hon. Mr. Upshall: — Mr. Speaker, in the spirit of cooperation, I would like to table the answers to questions 41, 42, and 43.

The Speaker: — The Government Deputy House Leader

requires leave to deal with all the items simultaneously. Is leave granted?

Leave granted.

The Speaker: — The responses to items 1, 2, and 3 are provided.

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 39 — The Multiculturalism Act

Hon. Mrs. Teichrob: — Mr. Speaker, Bill No. 39 — The Multiculturalism Act, 1997 introduces a framework for promoting a new policy of multiculturalism in Saskatchewan. Adoption of this legislation will lay the groundwork for developing progressive multiculturalism legislation in Saskatchewan.

The proposed legislation affirms Saskatchewan's historical commitment to the promotion of multiculturalism policy and will reinforce the provincial motto, "from many peoples, strength."

A new Multiculturalism Act will continue to support cultural retention, heritage languages, and inter-cultural understanding. The legislation will also include principles which address the issues of anti-racism, creative expression, equity, and the welcoming of immigrants.

The Multiculturalism Act represents a serious statement of principles which recognize that the diversity of Saskatchewan people is a fundamental characteristic of Saskatchewan society, one that enriches the lives of all Saskatchewan people. The Bill states that this diversity exists with respect to race, cultural heritage, religion, ethnicity, ancestry, and place of origin.

This legislation encourages the celebration of human diversity as well, Mr. Speaker, and in so doing promotes harmony in a multicultural society. These principles offer an antidote to a society often troubled by intolerance and discrimination. These principles respect individual and cultural differences and assist in defining a provincial society which is proud of its diversity and whose strength comes from its diversity.

Mr. Speaker, our provincial motto — "from many peoples, strength" — speaks to this historical and current reality.

The Multiculturalism Act, 1997, Mr. Speaker, will encourage respect for the multicultural heritage of Saskatchewan and encourage the continuation of our multicultural society. This new legislation encourages a set of principles which serves to promote and preserve multiculturalism in Saskatchewan and which includes all of us in the multicultural community — all of us, Mr. Speaker.

Mr. Speaker, this legislation outlines principles which encourage a tolerant and respectful society, fostering a climate of harmonious relations between all people. Further, Mr.

Speaker, The Multiculturalism Act will define the role of the minister responsible in ensuring the development of multiculturalism policy. There is no department currently in the Saskatchewan government which has a mandate to encourage greater government-wide cooperation and resource sharing among agencies working to ensure the preservation of multiculturalism and initiatives which counter cultural intolerance within the provincial government.

Through this legislation, the Government of Saskatchewan will ensure that activities relating to multiculturalism policy are carried out within government, and particularly important, within the community. Our officials will work with community groups and organizations to promote multiculturalism throughout Saskatchewan.

Mr. Speaker, The Multiculturalism Act is being brought forward by our government at the recommendation of the Multiculturalism Legislation Framework Consultation Committee. Previously, extensive work was done by the minister's advisory committee to develop a vision for provincial legislation, and this legislation is based in large part on the excellent contribution of many Saskatchewan citizens to this process.

For 12 years, the multiculturalism community has been requesting new, updated legislation. The community was supportive of multiculturalism and the new role of multiculturalism legislation. In 1997, the definition of multiculturalism includes anti-racism, creative expression, equity, and immigration issues. Furthermore, Mr. Speaker, the multicultural community includes each of us and respects each of our unique and distinctive cultural heritages.

Mr. Speaker, in 1995 the Multiculturalism Legislation Framework Consultation Committee was mandated to prepare, through public consultations, for the drafting of legislation for a new Multiculturalism Act.

A series of focus groups were held in La Ronge, Prince Albert, North Battleford, Saskatoon, Regina, Swift Current, and Moose Jaw. Of these, four individual focus groups were held with representatives of Saskatchewan's first nations peoples, Metis peoples, youth, and francophone communities. The people in these focus groups were supportive of the proposed new legislation and felt this legislation would be complementary to existing federal and provincial legislation protecting human rights.

Mr. Speaker, this government's leadership in multiculturalism policy will inspire policy work within non-government organizations and agencies. Saskatchewan will provide leadership among provinces by embracing an expanded understanding of multiculturalism. Multiculturalism affects each and every one of us in this new definition.

I'm confident that enactment of this legislation will lay a foundation of strong principles which strengthens existing provincial multiculturalism policy in the areas of cultural retention, inter-cultural understanding, and heritage languages. It will begin to develop a framework for multiculturalism policy

for the province of Saskatchewan, policy which also addresses current concerns of our communities and including each of us in the scope of multiculturalism policy.

Mr. Speaker, I move second reading of this Bill — Bill No. 39, The Multiculturalism Act, 1997.

Some Hon. Members: Hear, hear!

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I am pleased to speak on the second reading of Bill No. 39, The Multiculturalism Act.

Saskatchewan traces its roots as a multicultural society to the beginning of European settlement in the late 1800s. Prior to that, aboriginal people had lived in Saskatchewan for 10,000 years. In that the aboriginal people are made up of many nations, Saskatchewan can be said to have been multicultural for centuries, becoming more so with settlement.

Beginning in the late 1800s and early 1900s, immigration grew, especially with the completion of the Canadian Pacific Railway. In 1901 Saskatchewan's population was about 91,000 residents. By 1931 the population rose to 920,000. Now slightly more than 1 million people live in Saskatchewan.

Saskatchewan's population is culturally diverse and has a large aboriginal community of Indians and Metis. The largest non-aboriginal ethnic groups are British, German, Ukrainian, Scandinavian, French, Dutch, and Russian. Several non-European groups are also represented in small numbers.

Multiculturalism is an inherent part of the history of Canada. Cultural differences among its population have resulted not just from the differing roots of the immigrants who have settled here. Regardless of where they came from, many times from the same country, depending on where they settled in Canada, they developed differences and forged their own distinctive cultures in adapting to the particular geography and prevailing economic and social conditions of the different regions of the country where they made their home.

Cultural diversity characterized the earliest societies that form a part of our early history. The aboriginal people spoke a diversity of languages across the breadth of North America.

(1445)

Diversity was recognized and enhanced by the Bill of Rights of 1960, the Official Languages Act of 1969, the Canadian Human Rights Act of 1977, and the Canadian Charter of Rights and Freedoms of 1982. In 1971 Canada became officially multicultural following the recommendations of the Royal Commission on Bilingualism and Biculturalism.

The multiculturalism policy introduced that year focused on four areas: assistance to cultural groups; overcoming barriers to full participation; cultural interchange in the interest of national unity; and assistance in official language training.

Programs to implement the policy began with an initial

investment of \$1.5 million. In April of 1974, The Saskatchewan Multicultural Act, the first such legislation in Canada, was passed. It enshrined the recognition of the right of every ethnic community whose common history spans many generations to retain its distinctive group identity and to develop its relevant language and its tradition, arts, and sciences without political or social impediment and for the mutual benefit of all citizens.

In its infancy, multiculturalism was a showcase for the cultures of the respected ethnic groups through song and dance, food, and handicraft displays, and demonstrations of all kinds. Multicultural festivities like Regina's Mosaic and Saskatoon's Folkfest are popular annual events and tourist attractions attended by thousands of people, and allow the different nationalities to proudly display their cultures and culinary and artistic prowess.

These festivals are what most people experience and perceive multiculturalism to be. But today multiculturalism is much more than festivals. Multiculturalism is about education, heritage, languages, racism, discrimination, aboriginal concerns, immigration, human services, economics, employment, business potential, tourism, and media.

Education can be said to be the great leveller or equalizer and eye-opener. It is a leveller in the sense that it provides a level playing-field for a career start regardless of race, creed, or colour. What a person does with his or her education, once received, is determined by individual preferences and initiative. Saskatchewan classrooms are a mosaic of cultures and nationalities.

At last census count, there were people of 125 ethnic origins represented in our fair province.

Education is an eye-opener. As an eye-opener, it comes in kindergarten, elementary, and high school where, when the kids are colour-blind and unprejudiced, things can happen equally. Acceptance and appreciation of diversity and differences is instilled and hopefully carries on through adult life.

The importance of education in developing understanding and acceptance of others cannot be overemphasized. This should be reflected in curricula, which should be designed so that positive images are presented of the 125 ethno-cultural groups who have contributed to Saskatchewan's growth and development.

Nowhere is education more important than in combating the stereotyped and negative images of aboriginal people. Aboriginal people occupy a unique position within our province's multicultural mosaic because they are the original multicultural society.

The Cree, Dene, Saulteaux, and others are each distinct nations with individual languages, cultural traditions, and histories. The Metis also are a distinct group. Historically the Metis drew from both Indian and European traditions to create a new culture and a new identity.

The traditional diversity of aboriginal society has been made even more complex by the effects of contemporary social

change. Today people of Indian ancestry make up the fourth largest group in Saskatchewan's population. The majority no longer live on reserves or in isolated communities; instead they live in both rural and urban settings in all areas of this province.

From the beginning of settlement more than a century ago, aboriginal and non-aboriginal cultures have been in conflict. Traditional cultures have been eroded by an educational system which forces Indian and Metis children to learn not of their history and their successes but of their failures.

Education is and can be the key to resolving this cultural conflict. Any vestiges of stereotyped and negative images of aboriginal people in instructional materials and in classrooms must be replaced with positive ones. Education programs must be adapted so that children whose learning styles are influenced by their cultural backgrounds are not at a disadvantage.

Bill No. 39 empowers the minister to review and monitor the efforts of departments and agencies in performing their services and developing programs in accordance with the multicultural policy.

I urge and I challenge the minister to work with the Minister of Education to ensure that the education system and the curricula accommodate the needs and aspirations of our aboriginal people.

Not until aboriginal people feel like full and equal partners in the economy and in society can the multicultural policy be deemed a success. During Committee of the Whole deliberations, I will want to explore with the minister how this Act will contribute to that goal and how the minister intends to apply her powers under the Act to that end.

Frequently, immigrants are depicted as a burden and a cost to the federal and provincial governments, and restrictions on immigrations are urged by individuals, organizations, and some political parties. Let's look at the facts and keep in mind that, except for the aboriginal people, Saskatchewan is a province of immigrants, and has been since the late 1800s.

The facts are that there are exceedingly few immigrants on the welfare rolls. As a rule, immigrants will take whatever jobs there are available, and more often than not, they are low-paying jobs that no one else will take.

Immigrants contribute to the economy in a number of ways. A growing population generates greater demand for goods and services, resulting in increased investment and job creation. The maintenance of cultural customs and languages by ethnic groups through multiculturalism provides a built-in economic advantage in that there exists at our disposal a pool of Canadians with language and cultural skills which, if properly harnessed and utilized, can facilitate trade and diplomatic links with the rest of the world.

An example of this, and the economic aspect of multiculturalism, is the immigrant investor program. Under this program, Saskatchewan has attracted over \$500 million of investor capital, with almost \$400 million invested into

Saskatchewan small and medium-sized businesses, creating over 5,000 jobs.

There are also the annual multicultural events that attract tourists; ethnic enterprises such as restaurants and small businesses, which make considerable contribution to the Saskatchewan economy.

I have devoted considerable time on the economic benefits of multiculturalism because the focus has tended to be on the cultural and festival aspects. It is important to recognize the cultural and culinary pleasures that multiculturalism brings, but it is equally important to acknowledge its economic benefits.

I am interested in pursuing with the minister how the new Multiculturalism Act will contribute to further economic opportunities and growth.

The essence of multiculturalism is tolerance, acceptance, understanding, and appreciation by all of us for each other's cultures, traditions, and beliefs. Perhaps our Saskatchewan coat of arms says it best: "from many peoples, strength."

On balance, I believe that Bill No. 39 reflects the realities and requirements for multiculturalism to flourish and contribute in the '90s and into the next millennium. A Bill such as this, which will remain on the books for a long time, should reflect consultations, with a consensus within Saskatchewan's multicultural community. And I look forward to discuss this aspect and other questions surrounding this Bill in Committee of the Whole. Thank you.

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I've listened to the minister as she's outlined the reasons for the current Bill before the Assembly — The Multiculturalism Act, Bill No. 39. I've also listened to the member of the opposition in her discussions about the Bill and the fact that the opposition caucus suggests we could move immediately to committee.

I think people in Saskatchewan are quite well aware of the role multiculturalism has in our province — the fact that we're quite a diverse community and we have such an array I guess, a rainbow if you will, of individuals and racial backgrounds in our society that make this such an important and terrific province to live in.

However, it's also important, Mr. Minister, that time be given in the process of legislation to indeed review legislation appropriately and timely before we just move and pass it forward.

And while I recognize the fact that we have a number of individuals in our Assembly today who are here representing the different multicultural groups — and we certainly welcome them and we're pleased to have them here and we can certainly indicate that we will work on their behalf to address any concerns but also to work with the minister to make sure that this Bill receives the approval that is needed by this Assembly — I at this time as well though would suggest that we should adjourn debate on the Bill.

And we will certainly get into further debate in the very near future and follow the appropriate procedure in passing this Bill into law in the Assembly. So I move to adjourn debate.

Debate adjourned.

**Bill No. 4 — The Municipal Board
Amendment Act, 1997**

Hon. Mr. Upshall: — Mr. Speaker, Bill No. 4 amends The Municipal Board Act. There are only two amendments in this Bill. One follows an amendment made last year which reduced the quorum for the Saskatchewan Municipal Board from two members to one. The amendment carries forward the reduced quorum to apply as well to the Assessment Appeals Committee. It would make little sense to allow the SMB (Saskatchewan Municipal Board) a quorum of one while requiring a committee of that board to run a quorum of two.

The amendment will also allow administrative efficiencies where a straightforward appeal is to be heard in a remote location and one member could adequately deal with the matter. The committee will always sit with more than one member on complex appeals.

Secondly, an amendment is required to section 40 of the Act to ensure that a phrase is removed. The phrase in question gives rise to the possible wrong interpretations of the section and should not have been included in the amendment that was made last year.

I hope that members on all sides of the House recognize the merit of these amendments and show their support for this Bill. Mr. Speaker, I move second reading of Bill No. 4.

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, it's my pleasure to speak on Bill No. 4, An Act to amend The Municipal Board Act. Once again the need for this new legislation seems to arise from the reassessment program now under way. Although this Act is quite brief and containing really only one significant amendment, it speaks to the larger problem that property owners across Saskatchewan are facing in terms of reassessment.

I am sure that no one in this Assembly will disagree that reassessment was long overdue. But I for one am amazed at just how many complications and mistakes the government is managing to create while implementing the new program.

The major amendment contained within Bill 4 is set out in the clause 3 which changes the number of Municipal Board members required for quorum on a committee. Currently quorum can be established with two members of the Municipal Board, but this Act will reduce quorum to one member.

A quick look at the explanatory notes provide some admissions on behalf of the government that this is gravely mismanaged, the reassessment process. The minister's explanation for reducing quorum states, and I quote:

As the total number of members for all the committees and

the budget are limited . . . while the workload is increasing . . . a reduced quorum will allow the board to hear more appeals and provide decisions in a more timely manner.

(1500)

Mr. Speaker, of course when implementing a major program such as reassessment, I do believe that there will be a natural increase in the number of appeals the Municipal Board will be required to hear. But I also believe that the minister could have saved the taxpayers a lot of hassle, confusion, and expense if she had properly planned and implemented the reassessment process from the beginning.

I think the minister's major problems with this program are also symptoms found throughout her colleagues in government. The minister and her colleagues find themselves facing many problems because they fail to do a genuine consultation on major issues. We have seen this government use its propaganda techniques to water down the process of consultation on the future of Saskatchewan Crown corporations, education system restructuring, and of course, proposed utility rate hikes.

To top it all off, when the government does find itself facing public uproar over poorly planned policies, it then waters down the review process by failing to give any independent inquiry a real mandate to get to the heart of the issues. This week's release of the report on the justice review is a glaring example of the arrogance of government.

The review on the Crown Construction Tendering Agreement is another blatant example.

We can also not forget the dozens of parents now being forced to wade through the legal battles over babysitting wages.

Mr. Speaker, I think it's important that this government finally realize that ignoring the problems won't make it go away. And if this NDP government thinks it's somehow covering up its fatal flaws in government policy, it's sadly mistaken.

The people of Saskatchewan are not being fooled by the watered down inquiries and reports. Not only are these ill-planned programs and policies costing Saskatchewan taxpayers millions of dollars, but the NDP continue to waste hundreds of thousands more by commissioning insincere reviews and reports. So much for open and accountable government, Mr. Speaker.

Now with the ongoing reassessment process we find more cracks in the government's process. If the minister and her officials would have actually listened to suggestions from municipalities, from the school boards, and from the property owners, reassessment would not require as much ongoing tinkering.

So while this Act to amend The Municipal Board Act may end up providing the Municipal Board more flexibility to hear appeals, I think it's safe to say the board members may find themselves facing more work than they could even dream to handle. They are going to find themselves bombarded with

assessment appeals because of the confusion the government has created throughout the whole reassessment process.

First the minister passed down the unreasonable phase-in period of three years. She brought in the three-year phase-in despite pleas from municipalities to introduce the changes gradually. Then after some of the regions had already sent out their reassessment notices, she admitted that perhaps she had been too hasty — the phase-in period would now be extended to six years if the municipalities wanted it.

Then once the reassessment notices started going out, the minister faced another barrage of criticism — this about the unfair shift in the tax burden onto rural property owners. Once again, she had to admit her department had made another mistake and that actually an agricultural property factor should be added to the formula in order to make the process more fair.

Once again, although the admission of the mistake was welcomed by the municipalities, but the lack of foresight in the original planning created even more confusion about the reassessment process. Property owners who had already received their reassessment notices were now told that original new assessments no longer applied.

Now municipal administrators are sending out another set of notices, and many Saskatchewan property owners are more confused than ever. So who picks up the tab for the government's mistakes? — the Saskatchewan taxpayers, Mr. Speaker.

Mr. Speaker, the government may naïvely believe that no one is keeping track of the growing costs these policy mistakes are costing in Saskatchewan, but we are, Mr. Speaker. And when Saskatchewan taxpayers are presented with the final bill before the next election, this NDP government will definitely not be paid back in kindness.

However the most disturbing flaw in this reassessment process is the bitter feelings it is creating amongst neighbouring communities — RMs (rural municipality) and school boards who are left to administer the program. Saskatchewan is a province that was founded on the strength, determination, community spirit, and the goodwill of pioneers, but the government's reassessment program is eating away at that goodwill.

I have heard several stories about town administrators who have refused to speak with neighbouring RM officials after the government added the agricultural property factor. Now we have school boards placed at the heart of the battle simply because too much of the responsibility for education funding is coming at the expense of Saskatchewan property owners.

The last time I checked, education was a provincial responsibility. But this government's own figures prove that it has slashed funding for Saskatchewan education by \$60 million since it first came to power in 1991. The percentage of education funding, Mr. Speaker, used to be 60 per cent government and 40 per cent property owner. Well now that it is completely, totally reversed.

The Liberal caucus will simply not allow this NDP government to compromise the education of Saskatchewan children by offloading its responsibility. It is plain to see that the NDP's chronic underfunding of the education system, coupled with the continual axing of the revenue-sharing grants to municipalities are the two main ingredients in a deadly cocktail Saskatchewan residents are being forced to swallow. It's leaving everyone with a bitter taste in their mouth, and it's a taste that people will still have fresh on their tongues when the next provincial election comes around.

Mr. Speaker, another concern I have about Bill No. 4's amendment to reduce the quorum of the Municipal Board is the statement in the explanatory notes that say, it is intended that on major appeals there would always be more than one member sitting.

Mr. Speaker, I would like to know who exactly is left with the authority to decide what constitutes a major appeal. Who has the power to decide if more than one board member is required at a hearing? What guidelines are in place to make this decision?

Unfortunately our constituencies receive many complaints from people who are already frustrated with assessment appeal process. I am frightened to think about how many more phone calls we will be receiving about future appeals considering how confusing the government has made the reassessment program.

By the time a Saskatchewan property owner is finally heard — the appeals committee — he or she has often spent a lot of money and time preparing a case. It's extremely important that the integrity of the appeals process be at its highest level so that the applicant's time and money is not wasted, Mr. Speaker.

Mr. Speaker, because I believe there is not a high level of change in this Bill, I am willing to pass it at this time on to committee and answer a number of our questions at that point.

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, in regards to Bill No. 4, The Municipal Board Amendment Act, while it may be perceived as being a small change within municipal government, it would certainly be inappropriate for the legislature just to rubber-stamp, and just to move . . . (inaudible) . . . and quickly through committee and pass a piece of legislation.

I think it's appropriate that as opposition members we take the time to thoroughly review, to make sure — as we've heard just in some of the recent speeches, a number of the concerns regarding municipal government and the number of issues that municipal government has raised in regards to policies of the current government — that we take the time to indeed address these issues, and make sure we assess all of the concerns that are raised before we just can move and assist the government in moving pieces of legislation through the legislature and into law.

So I think it would be appropriate at this time that we indeed take that time and we adjourn the debate on the Bill and allow for further discussion to take place before we proceed further.

Thank you.

Mr. Speaker, I move to adjourn debate.

Debate adjourned.

**Bill No. 25 — The Gas Licensing
Amendment Act, 1997**

Hon. Mr. Upshall: — Thank you, Mr. Speaker. Mr. Speaker, The Gas Licensing Amendment Act, 1997 provides clarification of the scope and application of the licensing provisions to those specific activities which affect the safety and integrity of gas-piping systems. The Bill removes the potential for misinterpretation which could potentially extend licensing to non-safety-related activities.

The Bill provides consistency between the definitions of gas installation and the defined activities of a gas fitter, for which a licence is prescribed.

The Gas Licensing Act incorporates words and phrases which, through their generality and absence of definition elsewhere in legislation, are open to misinterpretation. The Bill in addressing the issue creates the authority to make regulations defining and enlarging or restricting the meaning of the words and phrases used in the Act, or the regulations when necessary, to further clarify their scope and intent.

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

Mr. Osika: — Thank you, Mr. Speaker. Mr. Speaker, when I first looked at Bill 25 when it received first reading a few days ago, I didn't think there would really be much to say about it. After all, Mr. Speaker, it really only changes one word in the entire existing Act. And in reading the Bill it seems this change does make some sense to a certain extent.

Clause 3 of the Bill moves to strike out the word "maintenance." According to the government, this word is simply too broad and causes ambiguity in the application of the legislation and, I would guess, some uncertainty for those who work around gas pipelines as installations but are not involved in the installation itself. It's thought that the inclusion of the word "maintenance" could apply to something as simple as painting or cleaning of pipes, something that obviously you don't need the expertise of a professional gas fitter to do.

So, Mr. Speaker, this change does seem to make sense and does nothing to make gas installation any less safe in Saskatchewan. However, this Bill goes beyond that simple change of word and that's where my concern began — and admittedly, it's a very familiar beef on our part over here.

Mr. Speaker, it's clause 4 of the Bill that's before us that causes me great discomfort. Time and time again members on this side of the House have stood here in debate of the legislation that is put before us to raise concerns about what we see as this government's overuse of regulations to do the business of this province. And it appears that's the case once again with this seemingly straightforward Bill.

Once again, in Bill 25 we are greeted with a very familiar phrase, and that is, I quote:

(a) defining, enlarging or restricting the meaning of any word or phrase used in this Act or the regulations but not defined in this Act;

In the 160-or-so new Bills that I've seen come across my desk since being elected an MLA (Member of the Legislative Assembly), and the many other existing pieces of legislation I've looked at, I've seen this phrase or similar phrases, Mr. Speaker, far too often.

Mr. Speaker, if there's a regulation to be made, this government will make it. If there's a way to avoid bringing issues into this House, this government will find it. If there's a way to ensure the people of Saskatchewan don't have a clear picture of all of the government activities, this government will do it.

Too often we see these Bills before us are simply bare-bone sketches of what might happen down the line once the government sets to work crafting its regulations in private, behind closed doors, away from the prying eyes of the opposition, and more importantly, out of view of the Saskatchewan public.

And yes, the government members can argue that a clause like this is included simply to avoid having to bring in new legislation when ambiguities such as the inclusion of the word "maintenance" in The Gas Licensing Act are found. And yes, that's true with Bill 25.

(1515)

But, Mr. Speaker, it's also true that the use of regulations can have a much greater effect. With the overuse of regulation that we've seen by this government, much greater harm can be done. Many more controversial decisions can be made behind closed doors, decisions that can't be flagged by anyone before they're made.

Obviously the best example of this, and my hon. colleague alluded to this earlier, was when they came up with the labour standards regulations from a couple of years ago. That Bill was controversial enough, Mr. Speaker; however once the regulations were written and adopted, without the input of anyone, then the real trouble began. Nearly two years after The Labour Standards Act was passed, parents began to telephone the media and their MLAs about a little-known regulation that was written after the legislation's passage. Unknown to anyone, babysitters were now covered under The Labour Standards Act, something that was not the case before.

Without so much as informing parents — or babysitters, for that matter — this regulation was quietly slipped into the law like a ticking time bomb, a bomb that has only recently gone off in the laps of parents and in the lap of the current Minister of Labour. This change, which wasn't presented to this House for debate, was simply a stroke of the pen decision made by bureaucrats and this government — a seemingly simple decision that ended up costing parents thousands of dollars in

back pay. All done by regulations, Mr. Speaker.

Over and over again, I hear about this government's openness and accountability. Unfortunately, I never hear about that openness and accountability from anyone who has to deal with the crew opposite. I only hear it from the government members themselves.

This is a government that has no use for this legislature. If there was a way they could avoid coming here at all, I'm sure they'd take it in a heartbeat. Because, Mr. Speaker, the members opposite only see this Assembly as an obstacle. Those members don't like being questioned by the opposition or by the people. They think it bizarre that anyone might have even the slightest concern over some of the things they're doing. Just trust us, they say. Just trust us and everything will be just fine.

Well, Mr. Speaker, it's difficult to trust. I don't trust everything will be just fine if we just allow them to do their thing. And with clauses like we see in Bill 25, that's exactly what they're saying.

Mr. Speaker, the passage of this Bill with the inclusion of clause 4 will not be the end of western civilization as we know it. In fact it probably won't even have a great effect on anyone's life. However, the inclusion of such a provision in Bill 25 is only the latest act of government by regulation.

Unfortunately I don't expect it to be the last. I'm quite certain that nearly every piece of legislation we pass in this House this session will include one or more regulations that no one ever saw before or expected. That's the way this government operates, and it doesn't appear to want to change its ways any time soon.

Mr. Speaker, in closing, I do want to say that we have done our work on this Bill. We have reviewed it and studied it. And we are prepared to move it to Committee of the Whole where we can discuss it in further detail because we see no need to hold up legislation at this stage, having done the necessary work to ensure that we are aware of the effects that this new legislation will have.

Thank you, Mr. Speaker.

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I find it interesting, after listening to the hon. member from Melville and all the reasons why indeed this Bill should be addressed and the number of concerns, that the member would now just allow it to go into committee. It would seem to me that with the arguments that were presented — there were many arguments that have been already presented — that would suggest that it's . . . that we need more time to indeed address the concerns put forward in the Bill.

And the interesting thing, Mr. Speaker, is the fact that while the Bill itself may look quite innocent, there are a number of issues in the Bill even that need to be certainly looked at, and certainly, Mr. Speaker, need to be addressed even more carefully. And if we're going to be responsible opposition, I think you need to take the time. I think it's easy . . . they stand

up and say, we've got all the information we need and we can just move on and address it.

The member talked about . . . the member from Melville talked about regulations. Well, Mr. Speaker, when it comes to regulations . . . And I think he certainly raises a good point because a constituent of mine, and I'm sure many other gas connectors in the province of Saskatchewan, have a number of concerns.

And how regulations can be used and put an onus on them to indeed . . . and in this case, the increase in fees. And we've seen this government on many occasions use the fee structure, use regulations, and offload, if you will, while they talk about not increasing taxes directly to the taxpayers of the province.

People themselves have found that every time they turn around they end up paying more out of their pockets because of the offload. And much of that is accomplished through regulations, through the regulatory process.

And when I come to the gas licensing issue, a concern that was raised with me was the fact that the licence fee has now I believe gone from 40 to \$100.

Well as the individual who raised this said, who gets left to being blamed? When I go in to hook up, I now have to inform the customer that it's \$100 now, and they say, well it was \$40 six months ago or a year ago, how come you're soaking me? How come you're asking me or requiring more money from me?

And I guess those are some of the concerns that are raised by the professionals out there. They are perceived as being the person guilty. It's like the municipal governments are perceived as offloading or gouging the taxpayer when they have been forced through the licensing, through the regulatory process, through legislation, to pass on the costs that they are associated with because of the offload from the provincial government.

And so it would seem to me, Mr. Speaker, it would be only appropriate to take more time to address what would seem to be a very minor change, but is something that would create a major concern and create major problems across this province, especially in the area of licensing. I do like the fact that the government talks about addressing safety features; I think that's very important.

It's certainly important that we take the time and we make sure that we've got in place regulations that would address any possible safety features to protect the public of this province. But as I've already indicated, I think it's appropriate that we even take more time to make sure that when the issue is addressed and debated at the end of the day, that indeed public safety is addressed, that the public of Saskatchewan aren't going to be left to be gouged through more regulations and more regulatory process that passes the buck.

And so therefore at this time I move to adjourn debate.

Debate adjourned.

**Bill No. 5 — The Saskatchewan Pension Plan
Amendment Act, 1997**

Hon. Mr. Upshall: — Mr. Speaker, the Saskatchewan Pension Plan has served the retirement needs of Saskatchewan residents since 1986 and now has almost 30,000 members and \$135 million in assets under trusteeship.

The Saskatchewan Pension Plan is open and accessible. Members do not need employment or business income in order to join, and it is the only tax-deferred plan available to people who don't qualify for an RRSP (registered retirement savings plan).

Member funds are professionally managed and the plan has generated on average a return of 10.2 per cent over the past 11 years. Contributions are voluntary and members decide what to contribute and when. Member funds are protected from seizure, claim, or garnishee by creditors of any sort.

This Bill introduces changes which will bring the Saskatchewan Pension Plan in line with recent changes to the registered retirement savings plan. The age limit for contributing to the plan will be lowered as will the mandatory retirement age. In addition this Bill will provide the plan with a regulatory authority to react quickly to amendments to the federal Income Tax Act.

Another amendment to this Bill will allow spouses to transfer death benefits from an SPP (Saskatchewan Pension Plan) annuity to their plan account.

Other amendments included in this Bill are of a housekeeping nature consistent with the announced changes.

Mr. Speaker, I move the second reading of this Act.

Mr. Gantefoer: — Thank you, Mr. Speaker. I am pleased to rise today to make some remarks in regard to this Bill that was introduced into the House on day 3, and today being day 23, the official opposition over the past month has done its homework and actually prepared information, talking to the legal profession and stakeholders so that we could actually do some intelligent work on this Bill.

Mr. Speaker, I note that this Act of amendment will bring the age of eligibility for contributions to the pension plan down to 69 years of age from the present 71 years of age. That'll bring the plan in line with the guidelines for RRSPs. It also lowers the age of mandatory retirement to 69 years of age as well.

We are generally in support of the provision which allows for transfers of a surviving spouse's plan account in addition to that, Mr. Speaker.

At first glance, it appears that allowing the plan to have the regulatory authority to quickly react to amendments to the federal Income Tax Act will be a good step that will eliminate some of the unnecessary paperwork. And while we have general concerns about the emphasis on regulations, sometimes they indeed do make sense. A cynic might go so far as to

suggest that governments sometimes were created by the pulp and paper industries, but that, Mr. Speaker, is a matter for another day.

Thank you.

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I can appreciate the reasons for Bill No. 5, and I understand from the minister that this Bill is bringing the Saskatchewan Pension Plan in line with a number of the changes that have been made by the federal government in addressing pension plans.

I guess the concern we have regarding the Saskatchewan Pension Plan is the fact that the government has moved away from supporting low income people in the province of Saskatchewan. When the pension plan was first introduced, when the pension plan was first introduced, Mr. Speaker, and it wasn't a great commitment, but gave people who did not have access to RRSP plans or other pension plans, the ability to at least start to build for their future and plan for their retirement.

And in view of the developments that have taken place regarding the Canada Pension Plan and the suggestions that it can't sustain itself, as a result we're going to be facing further reductions in off . . . any wage earner is going to face further reductions as more and more money is going to be required to run the Canada Pension Plan, it's unfortunate, Mr. Speaker, that this government felt they had to change the Saskatchewan Pension Plan that was dealing with individuals . . . in many cases, Mr. Speaker, I believe somewhere in the neighbourhood of 72 or 75 per cent of the people involved were actually women. And over the last number of days and weeks, we've heard talk of pay equity and what's the government doing with it; its commitment to pay equity.

It would seem, Mr. Speaker, here was a clear example of where this government could have affirmed its commitment to supporting low income earners — specifically women in this province. Individuals who, on many occasions may choose to maintain a home or look after a family, be a housewife for a period of time, therefore are out of the employment field where they would directly have access to a pension plan.

Mr. Speaker, we also saw as a result of this pension plan — it wasn't just something that the government had committed itself to and worked with — but many employers grabbed a hold of the idea, worked together with their employees to support them and help them put money aside to address retirement years.

And as I said earlier, I think it's very important as we view the cut-backs and the claw-backs taking place in the Canada Pension Plan . . . and also there's another piece of information I just received regarding the claw-back that is being proposed to come forward and taxing seniors' pensions over a certain limit — something that I believe the federal Liberals complained about, about five years ago, when the federal Conservative government were talking about clawing back from the higher income seniors so that the lower income group could indeed maintain . . . they could preserve the pension plan for those individuals.

And so it's . . . I think it's very important, Mr. Minister, that this be looked at very carefully and that we take the time and that we review it appropriately.

And therefore, Mr. Speaker, while I understand the intent, I think it's appropriate that we indeed address it appropriately. And therefore I move to adjourn debate.

Debate adjourned.

Bill No. 6 — The Superannuation (Supplementary Provisions) Amendment Act, 1997

Hon. Mr. Upshall: — Mr. Speaker, The Superannuation (Supplementary Provisions) Act pertains to the following seven defined benefit pension plans: the Anti-Tuberculosis League superannuation plan; the Liquor Board superannuation plan; the Power Corporation superannuation plan; the Public Service superannuation plan; the Saskatchewan Telecommunications superannuation plan; the Saskatchewan Transportation Company employees superannuation plan; and the Workers' Compensation Board superannuation plan.

(1530)

In total, approximately 5,000 employees continue to contribute to these pension plans on a regular basis. The plans have been closed to new members since 1977 with the inception of money purchase pension plans. Although most of these pension plans have their own pension legislation, The Superannuation (Supplementary Provisions) Act addresses issues common to these pension plans.

Participating employees of the pension plans are requesting the opportunity to set contribution rates by agreement. This provides employers with an increased latitude for compensation planning and labour negotiations.

With the proposed amendment, members of the aforementioned pension plans will contribute 7, 8, or 9 per cent of their regular salary to their pension plan as prescribed by legislation or as otherwise provided by an agreement.

The proposed amendment, Mr. Speaker, signifies the continued importance of pension plans to both employees for their retirement planning purposes and to employers for the purpose of compensating planning and labour relations.

Increased flexibility in the design of pension plans enhances the opportunity for the pension plan to meet the ever changing needs of employers.

Mr. Speaker, I move second reading of The Superannuation (Supplementary Provisions) Amendment Act, 1997.

Ms. Draude: — Thank you, Mr. Speaker. Mr. Speaker, I rise before you today to respond to the minister in regards to The Superannuation (Supplementary Provisions) Act.

We've been talking with groups about the implication of this Bill, and although at face value it rather appears innocuous,

after a thorough and rather careful examination of these amendments it is only fair to say that we do have some concerns.

And, Mr. Speaker, after consultation with stakeholders in the areas of pension and superannuation, they too have raised some initial concerns with us.

You see, Mr. Speaker, one of the most important things that working people have left after a lifetime of toil is their pension. And as you can well imagine, any possible changes to this very valuable personal asset causes a great deal of consternation. Not just consternation, Mr. Speaker, but fear as well.

You see, Mr. Speaker, many people do not truly understand their pensions as well as they could, and any proposed change is unsettling. Unsettling because over the years the people of this province have become very wary of government. Every time they turn around they're having another pocket picked by this socialist government who holds itself up as the saviour of the seniors, the saviour of the working class, and the saviour of the poor.

Well, Mr. Speaker, this government has managed to combine all of those groups into one; one group who is made up of seniors who are both poor and required to stay in the working class longer and longer because they simply cannot afford to retire on their pensions.

And the reasons, Mr. Speaker, the reason they cannot afford to retire with dignity are many-fold. The main reason, Mr. Speaker, is that many of our seniors simply do not have the pension accumulated through their working careers that would allow them to retire and maintain a comfortable lifestyle. It is not that people expect to live in lavish luxury, Mr. Speaker, but neither do they wish to see their savings ravaged by the disease we know as inflation.

This piece of legislation that has been introduced before us today proposes to amend the superannuation Act in regard to supplementary provisions. It would allow employees eligible for benefits under a number of Acts and collective bargaining agreements to negotiate with their employers as to the contribution rate to be paid by the employees.

Some of these employees would be in agreement that they fall under a number of different Acts. For example, Mr. Speaker, The Liquor Board Superannuation Act would be one. Another would be The Power Corporation Superannuation Act. There's also a substantial number of employees under The Public Service Superannuation Act as well. The Saskatchewan Telecommunications Act employees could also be affected by this proposed amendment.

So you see, Mr. Speaker, we are talking about many thousands of employees. But not just employees; we are also talking about them as people. Real people. And that, Mr. Speaker, is something the Liberal Party cares about very much — people. And one thing we'd like to talk about is the collective bargaining agreement and certain Acts and amendments in the grandiose terms.

We know that in the end it is everyday people who will be affected by these changes. And as I referred to earlier in my speech, Mr. Speaker, to many of these grass roots people their pension is a very important asset. Such changes as those that are being proposed here today are worthy of detailed examination.

You see, Mr. Speaker, within this agreement there is a shift from the existing legislation that sets out specific percentages for contribution rates that employees pay. Those contribution rates are dependent on the employee's age when they commence employment under the Acts, and collective agreements I mentioned earlier. Benefits under this Act are not calculated according to the employee's contributions. They are based on the years of service and the average salary earned over a six-year period representing the employee's highest earnings.

So, Mr. Speaker, when we examine this proposed amendment and sort through the implications of it, we have serious concerns about the shifting sands of the collective bargaining process. You see, Mr. Speaker, there is two sides to the collective bargaining process — the employer and the employees.

Now in this case the employees are represented by various trade unions who have been sanctified by their respective certification orders as approved by the Labour Relations Board. These unions have been in place in the collective bargaining process for a number of years and are very seasoned negotiators. A number of these unions have representation in the private sector as well, or they're affiliated with unions who are in the private sector. Additionally, Mr. Speaker, some of these unions have members either outside this province and country or they are affiliated with other unions who are also outside of Saskatchewan as well.

Some examples of those affiliations, Mr. Speaker, would be the Saskatchewan Federation of Labour, the Canadian Labour Congress. One more example would be NUPGE (National Union of Public and General Employees), which is a body representing provincial government employees from all across Canada. The Saskatchewan Government Employees' Union, for example, is a member of that organization.

The point I'm making in this, Mr. Speaker, is that a change in pension legislation, while on the surface may only appear to affect certain groups of employees, in reality it may affect many more employers and employees. You see, Mr. Speaker, in today's environment, the age of information technology, what happens in one jurisdiction will often happen in another jurisdiction as well.

If this turns into a substantial benefit for these groups of employees, rest assured this type of language will be strenuously argued for in another collective bargaining agreement. But to be fair, Mr. Speaker, if it turns out to be very detrimental for these groups of employees, it may be lobbied for by other employers.

Mr. Speaker, in the big picture of the collective bargaining process, patterns and model language are sought after and

duplicated by both sides of the process. The key word, Mr. Speaker, is precedence. People on both sides of the table across from many respective organizations search far and wide for precedence.

And that, Mr. Speaker, is why we feel this piece of legislation needs further review and input from stakeholders on both sides of the issue. Many of them are not directly affected by the amendment today, but down the road, if precedence and patterns are set, many other parties will be directly or indirectly affected by this legislation.

Therefore, Mr. Speaker, I move to adjourn debate on this Act.

Debated adjourned.

ADJOURNED DEBATES

SECOND READINGS

Bill No. 3

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Teichrob that **Bill No. 3 — The Urban Municipality Amendment Act, 1997** be now read a second time.

Mr. Goohsen: — Thank you, Mr. Speaker. Mr. Speaker, we want to talk a little bit about Bill No. 3, an Act to amend the urban municipal's Act. Like the other two municipal Bills before us today, this Bill contains many housekeeping matters as we note, Mr. Speaker. And further, it contains some provisions that are quite positive. In this vein, I would particularly note the section that clarifies that off-reserve, band-owned land will be subject to property tax.

This has been a source of great anxiety, Mr. Speaker, for many municipalities that have gone through the treaty land entitlement process. And we of course in the south-west have gone through that process to a large extent over the past few years. It hasn't been as controversial there as in other areas though, I want to emphasize, but we still do have an understanding. And we think that we do need to look at this as a real serious matter that needs to be dealt with.

This move will not only ensure that municipalities maintain a secure revenue base, but it will also go a long way in securing public support and acceptance for the treaty land entitlement process. Obviously maintaining harmony between our native and non-native communities is in everybody's best interest in Saskatchewan. However there are a number of controversial matters in this Bill which prevents me from giving it support in a blanket manner at this time.

For starters, the requirement that all communities have administrators certified by the urban municipal board is unnecessary in our opinion. I know this sounds like a mom and apple pie kind of clause, and why wouldn't you want to have well-trained staff would be the argument. But from my experience in local government, the business of being an administrator for a small town is a job that is a fairly basic

bookkeeping type of process, and an ordinary accountant can do it and do it well. And in fact in some of the small towns in our locality, the administrator may from one municipality do it for the small town, but if that's not possible, they may simply have somebody from the community that's good at bookkeeping come in and do it.

And any questions that may arise about compliance with municipal legislation can be easily resolved by a phone call to Regina for those kind of people that don't have the total training. And my experience has also been that some of the people that have the full training also find that they don't know things and have to phone Regina for help anyway. So reality is that that process is available and we might as well use it.

On the other hand, my own experience with urban municipal board administrators has not all been positive. I have found them at some times to be bureaucratic in their extreme ways and not in touch with the realities of small town life.

Now in discussions with urban municipal board administrators, I have often felt like I was in the middle of an episode of the British political sitcom, *Yes Minister* where the bureaucrat is constantly leading the elected official by the nose and winding him in red tape.

They are expensive to say the least, Mr. Speaker. They do not serve the needs of small towns well at all times, and I do not think that we should be binding the hands of our local leaders by forcing them to hire such individuals when we can clearly demonstrate that people of other backgrounds and other work natures can do the job just as well.

Further to the topic of red tape, the amendments to section 65 require municipalities to prepare their own financial statements rather than relying on the auditor. Well, Mr. Speaker, this really is just another example of government duplication. In spite of the provisions of this Bill, the auditor is still going to do a detailed tally of the finances of the town in question. The provincial government does not need two sets of financial statements from one town. This amendment just creates more paperwork for our already overworked municipal officials.

But on this topic I'm going to do a little bit of a flip-flop, Mr. Speaker. While we don't want to see municipal officials more overworked, we should be ensuring that there are procedures in place to protect the public against possible abuse of the office. On this scope I'm talking about the amendments to section 242. These amendments give the assessor . . . the unilateral rather, and apparently unquestionable power to determine if someone is using their home for business purposes.

So in other words if an assessor walks into someone's house and finds the baba, or a grandmother in my case, making a batch of perogies to sell to the neighbours, he can jack up their assessment and no one can argue with him.

And that simply, Mr. Speaker, frankly I think is a little bit scary when you give the government board, or somebody from a government board that kind of power over people's lives based on the subject . . . objective or judgement of just one person.

The judgement of one individual in this matter might very much vary from that of another because they don't really have, as judges do, some background that is similar. Therefore their decisions may not necessarily always be the same.

I think this section needs to be clarified to ensure that at the very least there are avenues for appeal. And perhaps I am overlooking something, but perhaps the existing Bill already provides for such an appeal. Nonetheless, I think it is important that we dwell on this subject a little while in the committee stage, because we have to clarify whether or not that ability to appeal is there.

(1545)

I don't believe that government members in the back bench would want to have a Bill go into place that doesn't have some mechanism for an appeal for people that need to have something else done than just the normal that is written in the legislation. So if that's in there disguised somehow, fine and dandy, we'll reveal that. And when that's revealed, it'll be fine.

In the meantime though, we need to have an opportunity for people to look this over from the outside — people who are going to be affected by the Bill. And that always is the process of debate and the process of the democratic system that we're in, is that if we take a little time, other folks can look things up and check it out.

Indeed, most of the points that I've brought up are perhaps best dealt with in committee, as I've said. And I certainly would not want to see this Bill defeated before we get a chance to examine it at that level.

In other words, we don't want to just come out and say, we don't understand it, we don't think it's right, so therefore we have to defeat it. We may be able to correct it, or maybe we can find out that the things that we have said are necessary are already in there. If that's the case then, fine and dandy, we'll go ahead.

And as I mentioned, Mr. Speaker, folks out in the country now are hearing about this debate; they're studying it. They'll take the Bill, they'll go through it. Behind the scenes SARM, SUMA, those folks will have an opportunity to call the minister and say, how do you clarify this thing; will you get up in the legislature and say the intent of the legislation is to provide for those avenues of appeal that are necessary or those avenues that need to be looked at?

And so while I repeat that our caucus has some concerns with this Bill and we do want those answered, we do not want to have the Bill passed or defeated until we have a chance to make sure where it's going.

And so, Mr. Speaker, having said that, I would move that we give this a little more time and I would move that we adjourn debate.

Debate adjourned.

COMMITTEE OF FINANCE

**General Revenue Fund
Municipal Government
Vote 24**

The Chair: — I would ask the minister to introduce her officials, please.

Hon. Mrs. Teichrob: — Thank you very much, Mr. Chairman. On my left is Ken Pontikes, my deputy minister. On the next row, Brij Mathur, who is the associate deputy minister of culture and recreation; Ron Styles who is the associate deputy minister for the housing division. Behind Ron is Bill Werry, director of sport and recreation. Larry Chaykowski is behind Ken Pontikes, being the director of finance and administration. And right behind me is Ron Davis, the assistant deputy minister of municipal services.

Item 1

Mr. Hillson: — I would first of all, Mr. Chairman, like to welcome the minister and her officials today and thank them for their attendance.

Now I think though that . . . I was one of those who was not in favour of delaying reassessment in the sense that of course Saskatchewan has delayed it for a very, very long time, and I feel that many of the problems we are experiencing are simply in the fact that our base year of course is 1965 while every other province in Canada is working on a base year of 1990 or newer.

Nonetheless, Mr. Chairman, it seems to me that a lot of the chaos and disorganization caused by this year is that municipalities still do not have the assessment figures on which they can then deal with the issues of tax tools, and of course the ultimate issues of setting the mill rate.

Or maybe that's not entirely correct. Maybe it's not that they don't have the SAMA (Saskatchewan Assessment Management Agency) figures, they keep on getting different SAMA figures on what seems to be a weekly or biweekly basis.

I would like to ask the minister if she doesn't agree that this process could have gone a great deal more smoothly with reassessment if, prior to the commencement of the reassessment year of 1997, municipalities had had the final figures; and can she tell us, do municipalities now have the final figures? Are there still more figures coming out of SAMA? Where do we stand on this?

I'm hearing from municipality after municipality that say they're on their fourth, fifth set of figures from SAMA and they still don't know if they have in fact the final figures.

Hon. Mrs. Teichrob: — Mr. Chairman, as I understand it, most of the figures from SAMA, or the bulk of them, was transferred to municipalities last fall. As the member opposite will know having been a member of an urban council himself, there are always changes. I mean a tax roll is an elastic thing and there's always development and different types of

vacancies. And I mean things happen. It's a very dynamic environment and there are always pick-ups and changes in the assessments right up until the very last minute.

So it's true that in a year like 1997 where we're overhauling the system after 30 years of neglect, that the reassessment of the whole province on the 1994 base is a huge undertaking. There are as far as I'm aware, except for municipalities that are asking SAMA to review certain assessments which they feel might need correcting, that sort of thing, there's only the question of regional parks that have residences which have never been assessed before so there's no base to go on.

The assessor physically has to have access. Some of these places are served by — they're seasonal — they're served by roads that aren't open in the winter. So there's some assessment of buildings in regional parks that, as I understand, is not complete. But basically all the rest of the information is complete, has been transferred to municipalities some time ago.

Mr. Hillson: — Well thank you, Mr. Chairman, for that answer. But saying that assessment is a fluid process doesn't explain for example that Swift Current, I understand, received four different sets of figures, and after they received the fourth set of figures, they called for the resignation of all of the top leadership of the SAMA board and organization.

This is making the reassessment process unnecessarily complicated, unnecessarily divisive. And why did the municipalities not all have the final figures before December 31, 1996 from which they could then prepare to make the difficult decisions that had to be made? I trust the minister agrees with me that the municipalities simply cannot make decisions until they have the final figures from assessment.

Hon. Mrs. Teichrob: — Mr. Chairman, I certainly would acknowledge that a reassessment of this magnitude is a very difficult job. I know that SAMA tried to meet the deadlines to the best of their ability, and I know that figures were given to all municipalities well in advance of the year end in 1996. In fact most municipalities, if not all, had their figures in hand at the time when the workshops were held throughout the province conducted by . . . with Municipal Government and SAMA.

There are bound to be last minute changes and most municipalities have a very good capacity. They're very capable in their administration function. And while there might be some minor changes from the time the figures were released last fall, this is not a matter that local councils or local administrators wouldn't be in a position to cope with.

And I was hearing that; I was hearing letters to that effect in the early fall of 1996 — like when will we get our numbers, and are these the final numbers? But I attended the SAMA convention recently, within the last few days — last week, I believe it was — and I'm not getting that kind of indication to my office at this point, that people are waiting for figures at this time.

So whatever adjustments will need to be made I think will be

minor, and I know that administrations at the local level have the capacity to cope with this.

Mr. Hillson: — Mr. Chairman, of course one of the issues is that we use different per cents of values . . . percentages of valuation, and this has a long historic precedent in the province — commercial versus residential. And of course farm land has historically and continues to be at a lower per cent than other lands.

I think most people in Saskatchewan can get their mind around that, but I've had numerous phone calls from condominium owners who cannot understand why condominiums would be treated different than other residential property. I believe it's a differential of 10 per cent — 85 versus 75.

And it's maybe one thing to understand the difference between commercial and residential or residential and farm, but it's simply not easy for people out there living in condominiums to understand why there would be a different per cent of value on condominiums as opposed to other forms of residential living. I wonder if the minister could address what's the underpinning thinking there — that condominium living would be treated different than other residences?

Hon. Mrs. Teichrob: — Well, Mr. Chairman, there's quite a range of rationale that goes into this decision.

First of all, I think at the provincial level where we set percentages of value for condominiums at 85 per cent and other residences at 75 was to make sure that there was not an incentive for owners of apartments to convert to condominiums thereby creating a poor rental market for people who are not in a position to buy. So that's the 75, 85.

Then at the local level, councils — and many councils have, although assessment is based upon the use of the property not the ownership mode of the property — but some councils have moved the condominium rate down to 75 so that it's equal to other residential properties.

Some smaller communities have condominiums, but for the most part the majority of them would be in cities, and cities have the facility to apply for subclasses if they feel that there's a way of having more fairness within their market-place and whatever the configuration of their real estate sector is.

(1600)

So that's basically the rationale, Mr. Chairman, and I think . . . I know I've heard from some condominium owners . . . It would seem that some condominiums that are newer probably were not assessed high enough. And so some of them are seeing increases of larger proportions than older, more established buildings.

But by and large, I think that cities have the tax tools to make sure that there's fairness to home-owners versus condominium owners. It seems . . . And then of course with condominiums we're not talking about any particular type of housing. Like it could apply to row housing, it could apply to like the

townhouse type, could apply to apartment-style condominiums.

But the tax tools are there for municipalities to end up with a fair tax regime.

Mr. Hillson: — Mr. Chairman, I'm having condominium owners tell me that they actually feel discriminated against. And I'm wondering if you can say anything to them that . . . They actually use the word "discrimination." They're simply home-owners, that's all they are. And I realize you've brought in some legislation to pass the buck to municipalities, but what can you say to people who tell me they're being discriminated against here.

Hon. Mrs. Teichrob: — Well Mr. Chairman, the percentage . . . As you know, this is a transition phase and the goal is to reach 100 per cent of market value for all property. So we are in this transition phase, and we did, as I said, at the provincial level ascribe 85 per cent of value to condominiums and 75 per cent to other residences. Some municipalities have mitigated that.

I have heard that the discrimination . . . I mean I'm a condominium owner myself in Regina. And I think it varies of course from one condominium to another, but I would pay taxes on my . . . or be assessed on the value of my apartment.

But then there's the common areas where there might be facilities that I may never use. I bought it because it had a swimming pool and I've never been in it — never had time. But then you also pay taxes on your portion of the common areas, which in some cases in some of the newer condominiums have quite nice facilities and so forth.

So I don't really see that the system itself discriminates against condominium owners of whatever style.

Mr. Hillson: — The minister has been discussing tax tools. The most recent tax tool to come in, of course, is the six-year phase in. And frankly, I have a lot of problems understanding what this is all about.

First of all, the fact that this tax tool comes in when we're already a third of the way through the tax year. Why did that have to come up at the last minute? Why wasn't it part of the major reassessment Bill last year?

What I'm told, too, is that few if any municipalities are likely to use the six-year phase in. I wonder if you could give us an indication of how many municipalities will in fact be using it.

But last and most serious of all that I simply don't understand is that, of course, we hope that we will never again in this province get in the ridiculous situation of going 30 years without reassessment. So you brought in the rolling reassessment of three years, and I'd like to say, Madam Minister, I'm in agreement with that.

But how do you square a three-year rolling reassessment with a six-year phase-in. Like, like, it sounds like the faster we run the further behind we get, and I just do not understand how we can

square those two provisions.

Hon. Mrs. Teichrob: — Mr. Chairman, on the phase-in, it wasn't announced . . . a third of the year, it was announced in January at the time of the SUMA convention. And what we had . . . The three years was originally . . . Through all the consultations, the three-year that was originally provided for was a compromise. SARM for instance indicated that, for the most part, they didn't want any phase-in at all.

And I'm not aware of any rural municipalities that are using a phase-in. There may be some that are looking at it in terms of some large rural industry that they have, or some feature like that, but for the most part they're not phasing in. They wanted zero phase-in; some industries wanted more. We finally compromised on the three.

Then we had some representations from chambers of commerce and some industries and the two larger cities who wrote to us about the beginning of December, when they were working on their tax policy, and asked for a longer phase-in. And we had requests for five years, for ten years. The reason that six was chosen is that, when some people said three wasn't adequate, we wanted it to somehow be concurrent with the cycles of reassessment, so six years is two complete cycles of reassessment.

Now we don't believe this will be very widely used. It seemed to be, for those who made representations that they wanted an extended period, was mostly on behalf of the commercial and industrial sector of their tax base. So we've seen some other variations of that recently.

But as with all of these things, we said at the very outset, and as we were consulting with all the different interest groups and municipal organizations throughout the process of trying to develop the framework of legislation, that it would be enabling. That any municipality who doesn't see any advantage in a phase-in does not have to use it. It's enabling. It's a tool that they can use. If they don't want to see fit to use it, fine. Same with all the other tax tools — they're all enabling.

And we also said that, look this is very complex; we understand that. We will be listening to people, watching how it goes. When it starts to be implemented we will be anxious to hear from administrators, politicians at the local level, people who handle the appeals; so that if there are any amendments that need to be made; so we can be more helpful; so that we can make the transition easier — then we will stand ready to do that.

And indeed we do have a package of amendments to the urban and rural Acts that have been introduced in the House to accomplish exactly that. And we will continue to be open, to listen to people and make amendments to the legislation or regulations as we're requested to do so, if it will be helpful.

Mr. Hillson: — Yes, Mr. Chairman, can Madam Minister indicate though what indications you've had from municipalities in Saskatchewan as to how many may avail themselves of a phase-in of longer than three years and whether

that would be in the commercial or residential sector.

Hon. Mrs. Teichrob: — Mr. Chairman, we don't . . . obviously all the municipalities have not yet made all of their tax decisions. We have some indication . . . well there were press reports of Regina just the other night, city council making a decision for a five-year phase-in for some classes of property.

We know that there is some consultation going on with some of the larger municipalities and their clients in their industrial and commercial base. And so the information isn't complete yet because all the decisions haven't been made at the local level yet.

Mr. Hillson: — And I guess one of the reasons those decisions have been slow at the local level is because SAMA was so slow in producing the assessment figures. But, Madam Minister, is it not fair to say that many of the tax tools you provided municipalities and much of the enabling legislation has turned out to be more in the principle than in the practice.

Specifically I'd ask you about minimum tax, that you provide that for the municipal side. Are any municipalities in fact using minimum tax? Are any of the tax tools in fact proving to be useful to municipalities in dealing with the shifts of reassessment?

Hon. Mrs. Teichrob: — Well, Mr. Chairman, there are . . . this is a time of year when even in a what you would call a normal year where there's not a reassessment, these decisions would be being made. Usually rural municipalities, the date is a little bit later, but it would be a very rare rural municipality even in a normal year that would have their tax roll complete for instance on March 1.

So we're not that . . . municipalities are not that far behind. I mean you have to give SAMA credit for doing the work. You have to give municipalities credit and their administrators credit for the work that they're doing in making their way through this enormous transition. And we must bear in mind that these provisions are put in the legislation not just for this year. As people, administrators, become more familiar with it and as ratepayers begin to get their actual tax notices and they're more sensitive to what the system . . . how it's affecting them and they make representation to their councils who then make representations to us, there will no doubt be more changes, other tools, and a municipality that decides not to use a certain tool year this year because it's unfamiliar and they want to ease the transition for their own ratepayers, they may avail themselves of that provision next year, or the year after.

It's a transition, I repeat, and it's a learning experience. We know most municipalities at some point have studied and considered using some or all of the tools that we've provided, but a lot of the final decisions haven't been made yet and they certainly won't be all made this year.

And with respect to the minimum tax, I know of a number that are exploring using that but I'm not — at this point — I'm not aware that any have decided to implement. But certainly it has raised a great deal of interest and a lot of municipalities have

done considerable analysis on how their ratepayers will be affected if they did use it.

Mr. Hillson: — Mr. Chairman, would Madam Minister explain for the House what the position of her government is regarding policing costs. As you know, there is considerable division in the province on the issue of larger municipalities paying a portion of their policing costs, smaller municipalities and RMs not. And I'd like the minister to comment on what she thinks is the fairness of this and what she sees as the policy of her government.

Hon. Mrs. Teichrob: — Last year in about October of 1996, a task force which had been studying this issue reported to the government. They reported in a format where the ministry of Justice and our ministry was present. The task force members drew representation from SUMA and SARM. And indeed in the development of their recommendations members of the RCMP (Royal Canadian Mounted Police) and members of the task force have made representations to successive annual meetings of SUMA and SARM on the proposals.

We feel that the issue is not so much who pays and who doesn't pay, but who gets service. And that's the rub. Because it's one thing to say, well everybody should pay. But people in rural and remote areas, for example, who don't ever see a police car for instance drive by, or don't perceive that they get service, are reluctant to offer to pay. The other problem is the arbitrary cut-off, I think of population, 500, where an urban community — according to The Police Act — a population over 500 must pay. If you have 498 citizens, you don't have to pay.

And then of course we all know of towns that are under 300 where there is a physical detachment and a very strong visual presence of the RCMP in the community, and that community doesn't pay. Further, just a few miles down the road, there might be a much larger community that doesn't have a detachment or you know a visible presence at all, and yet they pay a great deal based on their population.

So we appreciate the problems, but we think that the distribution of costs is perhaps not as important as the delivery of service. And the RCMP has recognized this. They are developing what they call their community policing model, where they are removing some of the . . . or dispatching, if you like, in a different way, people out of their middle management structure to have a stronger presence in the community. And I think that when we reach the point where communities feel that there is a presence, that it's something viable, then their reluctance to contribute to the cost would likely be diminished.

At the moment we haven't taken a position on the distribution of costs. We're still studying it. We're still trying to find . . . or I guess watching what's happening with the community policing model. So the jury is still out. We've received the report, but we haven't taken a position.

(1615)

Mr. Hillson: — So is the minister prepared to indicate when on earth there will be a firm decision on whether or not villages

and RMs ought to be contributing towards the police services, or is that a decision which you've decided to defer far into the future?

Hon. Mrs. Teichrob: — Mr. Chairman, no, we're not in a position at the moment to say when we will take a decision on that matter. For the time being, the status quo is what is in force. There's no move to change that. It would require a change in The Police Act, which is where the 500 population threshold is prescribed. We haven't made that change and we haven't made a decision.

There are some other factors here as well, is that there are a number of communities — some urban communities and a few rural communities — that actually engage their own private police force. They are somewhat supervised now by the Police Commission, but if you went to a different model of financing, you would have to account for those who already provide their own policing.

The other mitigating factor in all of this is that as quality a work as the RCMP does from a municipal standpoint, the needs in a small urban or even a rural municipality might include a bylaw enforcement officer, an animal warden, for example, a policing detail that would supervise activities that don't come under the Criminal Code but are certainly nuisances in terms of municipal affairs, like people dumping garbage on the outsides of town and so on. And the RCMP doesn't fulfil those functions. So if you're paying for the RCMP, you still have to provide for those other functions where in some of the smaller forces that are private forces, those people will do those functions.

So it's not easy. It's not black and white. It's a difficult, complex decision and it's one that we're not at this time prepared to make, to change from the status quo.

Mr. Hillson: — Mr. Chairman, I understand Saskatchewan is one of only two provinces in Canada where there are no grants in lieu for payment of property taxes to local municipalities. Now this seems unfair. It creates quite a burden on municipalities which must service provincial buildings and must service them for free. And this is particularly so in those municipalities in which there is a significant portion of their commercial property base is covered by provincial buildings.

And it's certainly a significant enough irritant to the budget of the city of Regina that if I may in passing say I find it strange that the hon. member from Regina South and other members from Regina have not raised this as a problem. And I would think that their diligence for their constituents and for their home city would compel them to raise this problem.

Is the minister thinking of changing this? Is it an embarrassment for our government that we are one of only two provinces in the whole of Canada that doesn't pay municipalities this? How do you intend to rectify this injustice, Madam Minister?

Hon. Mrs. Teichrob: — Mr. Chairman, I might have to ask the member opposite for some clarification, because it is simply not correct to say that we are the only province, or one of two or

whatever, in Canada that don't pay grants in lieu, because we pay municipal buildings . . . (inaudible interjection) . . . It's true. Provincial municipal buildings do not, as a rule, pay tax, although municipal offices in rental space of course do, through their lease.

Crowns pay grants in lieu, including in the city of Regina. SaskTel, for instance, on its office building, pays full property taxes. So you can't make a blanket statement of that sort. Crown buildings do pay grants in lieu.

I think what you might be talking about is federal buildings. For instance post offices, for example. A large number of provinces — I can't say for sure which ones, but I know many provinces — charge federal buildings; they do not exempt federal buildings. In Saskatchewan we still do. That may be something that we could look at, especially when you think in terms of the post office which now is in a competitive mode in many ways with couriers and so forth who do have to pay taxes. But yes, that would be the federal government that would pay those taxes.

But I think, you know, when you analyse that, when you think we're all the same taxpayers and so if we charge . . . if an urban municipality charges a rural municipality property tax for an office in their town, for example, and then the provincial government charges the federal government, and so on, well I mean, it increases the operating costs, and in the end it all comes out of the same pocket.

So first of all it's not fair to make that blanket statement because it's not accurate. And I guess the rationale is what I've given you, and I think it's fair enough. Just the same as schools don't pay . . . I mean a number of public buildings are exempt. I mean, sure, a school could pay a tax to the town and that increases the amount that people have to pay to support the education sector and it all comes out of the wallet of that individual that is a ratepayer in that town. It makes sense to me.

Mr. Hillson: — Mr. Chairman, I don't know if this is a scary situation, but it actually makes sense to me too; that why would one level of government pay taxes to another level of government because it's the same taxpayer that has to pay them.

However, Madam Minister, at the same time as provincial office buildings are not paying property taxes, that your same provincial government is charging taxes to the municipalities. The issue of sales tax for buying a fire engine. You've had the petitions here saying, if it's unfair for the provincial government to pay taxes, unfair for the provincial government to pay taxes for their office buildings to the municipalities, why do the municipalities have to tax their citizens in order to pay sales tax on fire equipment? And . . .

The Chair: — Order, order. Why is the member on his feet?

Hon. Mr. Wiens: — Leave to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Wiens: — Thank you, Mr. Chair, and members opposite. Sorry for the interruption. I just noticed that we have some guests in the gallery. An old schoolmate of mine, Sinclair Harrison, the president of SARM — we just celebrated our 30th anniversary as Ag grads together; Don Taylor, a board member of SARM; and Ken Engel, the executive director. Welcome to the House.

Hon. Members: Hear, hear!

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

Mr. Bjornerud: — To ask to have leave to join the member to introduce guests.

Leave granted.

Mr. Bjornerud: — Thank you, Mr. Chairman. I'd also like to join with my counterpart to welcome Sinc and Don and Ken here today and hopefully they . . . I imagine they'll find this very interesting. They get to watch someone else trying to grill the minister and I hope they enjoy it. Welcome to the Assembly.

Hon. Members: Hear, hear!

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

Mr. Goohsen: — Ditto. Also by leave, Mr. Chairman.

Leave granted.

Mr. Goohsen: — Thank you, Mr. Chairman. Members of the Assembly, I certainly want to join with you in welcoming the people from SARM. We want to join with the government, the official opposition, and let you know that the official alternative is still here fighting on your behalf. And as this debate continues, we will certainly be taking up the challenge of your cause.

We're glad to see that you're taking an interest in how the process unfolds at this level of government. We also respect very highly the level of government that you people represent and we certainly hope that we can continue to work together and bring benefit to the people of Saskatchewan. Welcome to the Assembly.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

General Revenue Fund Municipal Government Vote 24

Mr. Hillson: — I'm sorry, we are back to the estimates now and . . .

An Hon. Member: — Now tell us where you stand.

Mr. Hillson: — Where I stand is, what's sauce for the goose should be sauce for the gander. And, Madam Minister, I would like you to explain to this House why the provincial government should be tax exempt to the municipalities but the municipalities have to pay taxes to the provincial government. Can you tell something that would help me get my mind around that?

Hon. Mrs. Teichrob: — Mr. Chairman, I take great umbrage at the member opposite making these sweeping statements about government property that's tax-free. It's wrong. It's simply wrong. And I would like to know what his position is. In the Maritimes, you're harmonized, you know. Just think of the impact . . . think of the impact on the provincial budget or on municipal budgets if we didn't pay this.

This is the following, Mr. Chairman, of how much each Crown pays on an annual basis while the member opposite says that government property is exempt. Sask Telecommunications Holding Corporation, 1995 grants in lieu, \$4,894,005 — almost \$5 million. SGI (Saskatchewan Government Insurance), 1995 grants in lieu, \$1.822 million. And the list goes on.

Mr. Chairman, it is simply not true to make those sweeping statements.

Then we also have . . . and it's different in different cities. I don't know what the case is in North Battleford. In Saskatoon, for example, where there's a strong government presence but not very many government owned buildings. So all of those offices, all of those government departments, in leased space, pay full property taxes through their triple net lease. And it's a little bit different in Regina, but then again the Crowns pay full property taxes.

So I don't know where the member opposite is coming from, but I wish he would tell me what he would do.

Mr. Hillson: — Madam Minister, I'll be quite . . . I'm sure in a couple of years time when my colleague from Saltcoats is sitting over there answering questions in Municipal estimates, you'll get forthright and immediate answers to all your questions.

Now the most serious . . . there's no question though . . .

The Chair: — Order, order. All members could join in a debate, but they will have to be recognized by the Chair, and I would wish that members would wait until they are.

Mr. Hillson: — Mr. Speaker, while the issues I have raised so far are significant and important, they all pale in comparison to the issue of revenue sharing, or the disappearing ink of revenue sharing.

Now first of all, I would appreciate, Madam Minister, if you could give me some of the basic information. How many villages, towns, and cities in this province are facing revenue-sharing cuts of 40 per cent or more in fiscal 1997?

(1630)

Hon. Mrs. Teichrob: — Mr. Chairman, I don't have the list with me, but obviously the size of the pool available for revenue sharing this year over last — or should I say this year under last — is reduced by 42 per cent approximately.

So what we have done in the distribution of the remaining pool is we have changed the criteria somewhat. We do not recognize administration costs. We do . . .

An Hon. Member: — The pool is so small there's no room for any more fish.

Hon. Mrs. Teichrob: — Well it's true that we needed to come up with a new distribution formula or a new criteria around it, because as the size of the pool reduces, the old formula is very skewed and hasn't been used for a number of years.

But we don't recognize administration. We do recognize service. We recognize all revenue. And we put in a safety net so that based on those criteria no community would lose more than 50 per cent. But many . . . or obviously all communities are receiving less because of the reduction in size of the pool.

But no municipality is receiving reduction of more than 50 per cent. Some, based on growing population and so on, lose quite a bit less than 10 per cent. It's not even. It's not the same percentage across the board.

Mr. Hillson: — Madam Minister, I trust you understand that when we're dealing with an average of 42 per cent cut that that's an almost intolerable figure to try and plan around in one year. And what the municipalities are telling us is it isn't even entirely just an issue of how much or how little as the total lack of predictability which makes planning all but impossible.

What they need is stable, long-term funding that shows this province's ongoing commitment, and then even if it is paltry and niggardly of this government, then at least the municipalities know what they have to plan around.

Now what can you tell this House and municipalities in this province about stable, long-term funding that will allow them to properly plan rather than have 42 per cent lopped off in one year?

Hon. Mrs. Teichrob: — Mr. Chairman, maybe the member opposite could convey that same message to the federal government so that we could have long-term, stable transfers from the federal treasury as well.

But I would like to say that we did give a year's notice. It's not correct to say that all of a sudden everybody's got this problem to deal with. We gave notice in the budget of March, 1996 that in the year 1997-98 there would be a 25 per cent reduction in the size of the revenue-sharing pool.

Then last year in September we communicated to municipalities that we intended to pick up or transfer the health, public health, hospital, and social assistance levies from the local tax base, make a corresponding cut in the revenue-sharing pool, which leaves them that tax room.

However at budget this year we did mitigate that by some \$5 million and we committed to pick up all of the costs of the public health levy and the social assistance levy and transfer that money directly from the treasury to the Health and Social Services department and to add that amount back into the revenue-sharing pool.

So they've had notice of the original cut now for a year — more than a year; they've had notice of the health levies since last September. So with the additional tax room . . . because they can now, if they had a 2 mill hospital levy before, for example, they can retain that amount in their mill rate and keep the money for municipal purposes without . . . They may have preferred to pass along a decrease to their ratepayers, but they can have that additional money for municipal purposes without an increase.

Factoring in the tax room, the average reduction to urban municipalities would be about 15 per cent and the average reduction to rural municipalities about 20 per cent. And of course this varies in its effect because there's a great disparity in how much the proportion of the local budget revenue sharing makes up.

For example, in Regina, by the time you factor in the tax room, the public health levy which you no longer have to pay, and so on, their reduction is about three and a half per cent in revenue sharing. In Saskatoon, it's about 4 per cent and then you have to bear in mind that the revenue sharing previously, like in last year's revenue sharing, only formed 4 per cent of Saskatoon's total revenue.

So what you're really talking about in terms of a reduction is 4 per cent of 4 per cent of their total revenue. That's much less than what they will save by the reduction of 2 per cent in the PST (provincial sales tax). So on net, on balance, they're better off. So it's not the Draconian type of cut that some would like to cast it to be, and they did have notice, Mr. Chairman.

Mr. Hillson: — Mr. Chairman, I'd like to thank the Madam Minister and her officials. I assure you I have many more questions and issues I would like to discuss with you; however my colleagues from Athabasca on behalf of the North, and Saltcoats on behalf of rural Saskatchewan, are also anxious to get in here, and I'm sure their questions will be far more pointed than mine and so I will for now sit down.

Mr. Bjornerud: — Thanks, Mr. Chairman. Madam Minister, I'd like to take the opportunity to welcome your officials here today, and I would also like to take the opportunity to thank you for the information you provided me today. The information comes in handy for me to try and do my job, and I know you want me to do my job well. So thank you.

I don't think time will permit me today to use your figures against yourself so we'll go off on a different area here. Madam Minister, just starting off here — the \$12 million that you have cut to rural municipal government this year once again reiterates that you're picking on one of the most efficient levels of government that this province has ever seen.

These people are being punished for not deficit financing because that makes them an easy target to dump on. And for the first few years that you were in power, I guess I could understand somewhat what you were doing, but we've gone from 1991 through . . . now we're at '97 and we're still cutting rural and urban municipal governments very heavily. In fact this is one of the biggest cuts we've had.

When health has got a few dollars put back into it after all the cuts, education's got a few dollars put into it, why do we still have to seem to be downloading on municipal governments when they've been taking the brunt of the hits all these years?

Hon. Mrs. Teichrob: — Mr. Chairman, it's very true that there have been substantial cuts to revenue sharing, the size of the revenue-sharing pool in the '90s. But as the member opposite knows, when you're faced with a situation where you pay \$17 million a week in interest on the debt that you inherited and you want to have a balanced budget — which the Liberals in Ottawa haven't achieved yet — you have to reduce spending.

And we've asked . . . when we consult with the people of Saskatchewan, their priorities are health, education, social programs. And we listen to . . . we are sensitive to what people say, and when we have to get the money from somewhere to back-fill the federal cuts in health and education, that's one of the sources.

But they did have a year's notice. This year we've also, being sensitive to the need for cash flow, we've paid out \$16.4 million in the futures. We know that municipalities carried it as an account receivable; it's no kind of a gift, we owed it to them. But they have it in hand. We have allocated all of the infrastructure money that is available to municipal projects. And we know that the people at those levels of government are very capable, very able, and very innovative. And we know that they will come through these difficult times and still be able to provide a reasonable level of service to the people that they're elected to serve, Mr. Chairman.

Mr. Bjornerud: — Well thank you, Madam Minister, but I don't believe because you've balanced your books and you've got everything rosy according to you in here that the taxpayer out in the country is going to be too happy when municipalities of all kinds have nowhere to pass it on. They've done all the cutting they can do and I think we're going to start to see very drastic increases in mill rates, whether it's in the country or in towns or wherever it is, and I would say by '99 someone is going to pay the price very heavily and I would suggest it's going to be the people on that side of the House.

Madam Minister, you talked . . . I talked about the \$12 million that . . . the rural cuts and the \$17 million of urban cuts, and it's no money, and it's the federal government's fault because they're downloading. But I would suggest that there was a \$130 million of gaming money that the Minister of Finance said that we have put away for a rainy day.

Why couldn't you have maybe just had a little less rainy-day money put away and you could have had the \$30 million you needed and really not have cut municipal governments? How

can you have a slush fund starting to build and at the same time cut municipalities to the extent you have?

Hon. Mrs. Teichrob: — Mr. Chairman, I'm not sure just exactly what it is of which the member opposite speaks when he talks about a slush fund, because there is no . . . if he's talking about the gaming revenue, it goes straight into the consolidated revenue fund. It's not in a dedicated fund. It goes to help back-fill those federal cuts in health and education.

And I think it's very important to remember this, Mr. Chairman, that communities — whether they're rural communities, urban communities — communities are made up of people. We know that municipalities are not institutions. Municipalities are communities made up of people in this province.

If we were to maintain the size of the revenue-sharing pool for instance in the face of everything else, well then would we have to have a health premium that people would have to pay? If we're going to keep revenue-sharing dollars intact, then would we have to make cuts to Education? Would we have to make further cuts to Highways?

And when you mention, you know, putting a little bit of money in, that's the problem — that a little prosperity is a very dangerous thing because . . . So we had a good year last year, resource revenue was strong, the farm economy was strong. We did . . . we had revenue so we put \$40 million that was identified as a need into health. Well this is what I mean, then people say, oh well you found it for that, well how about me, and how about me, and how about me. And there just isn't enough to go around. We're still in very tight circumstances. We've turned the corner, it's getting better . . . (inaudible interjection) . . . There's a guy that's costing us \$17 million dollars a week and he's chirping from his seat . . . (inaudible interjection) . . . Yes.

And then there's all these little surprises like \$85 million to fight forest fires. This year we're looking at some potential damages for floods. And I just . . . It's responsible financing that we've been doing and we'll continue to do.

Mr. Bjornerud: — Thank you, Madam Minister. And I agree with you, the third party is costing us a lot of money a day.

Madam Minister, you talked a few minute ago about \$16.4 million for the futures program, and that's a program that was very near and dear to my heart when I was a member of council out there and a reeve. And when your government came in in '91 and '92, the previous minister cut the futures from four years to two years. Now that was bad enough. But as a past reeve, Madam Minister, you should and I know you understand the extent of what completely doing away with the futures is doing to road building.

The cost to the future . . . Take for an example, Madam Minister, a number of miles of road by your farm say, for an example or your neighbour's farm where the municipality involved may want to build four or five miles in a one-year project so that it's only ripped up at one year. They put tenders

out and the contractor bids at a certain price because he's building four or five miles.

Now that you've done away with the futures program, we know what's going to happen — we think we know. Number one, the contractor is going to bid much higher because all that can be built is possibly a kilometre a year. That doesn't end there. The farmer, if it happens to be a five-mile project, will have his road ripped up five years in a row, if he doesn't shoot the councillor and the reeve before that happens. I mean people out there are going to be furious when they see what's happening. Again we're going to cost people more money because the contractor will not move in for 1 kilometre for the same charge he would have for the other.

So, Madam Minister, when the futures program really was not costing your government any money, why would you cancel a program? I can see your reasoning that you're giving me for cancelling projects like the main farm access. I don't agree with it but I can see why you did it to save money. But the futures program was not costing you money. And politically I would suggest that cancelling the futures program is going to be a disaster for your government. Would you like to comment on that?

(1645)

Hon. Mrs. Teichrob: — Mr. Chairman, some of us are old enough to have been around longer than the futures and we managed before. The futures — that particular program — hasn't been around for ever. It saved municipalities money and saved the government money while it was used because, as you know, the criteria were that it had to be that kind of a project, that you had to save money by spending more than what your . . . your annual budget on this project.

So money was saved but it did have a serious design flaw in that the pay-back schedule wasn't fixed. So what we had was this liability that was sort of rolling around approximately at the \$16 million level. It was up to 18 at one time. And we're not saying that we will never ever have such a program again. We recognize some of the merits in it but we just felt at this time that we wanted to clear the decks and pay out that liability that was a liability to the province and an account receivable to municipalities.

And this year I think that in fact that there's a danger even of overheating the construction industry. When we talk about \$20 million in the Crow offset coming into rural municipalities, you talk about the 16 . . . (inaudible interjection) . . . Well it's half and half. It's half ours. This other half comes from somewhere else. But it's only a one-shot deal. This is the problem.

You know, the member opposite — now where do you stand? He was talking about revenue-sharing being long-term, sustainable, dependable, you know, and all this. And now his federal cousins come up with a one-year infrastructure program. Big deal. You know, what about next year? What about the year after? What about the year after — talk about futures.

So there will be the infrastructure money; the \$16 million in . . .

the regular revenue-sharing; the infrastructure money; the \$16 million in futures; and the \$20 million in the Crow offset — that's about 20, 30, almost \$50 million to rural municipalities in this year that is available for road construction and other infrastructure that municipalities might find the need for, Mr. Speaker. I mean, Mr. Chairman.

Mr. Bjornerud: — Thank you, Madam Minister. You actually touched on another really good area that I wanted to bring up. The infrastructure money is great. I mean there is nobody in the province that figures this isn't good money, and I don't care where it comes from — it comes partly the federal government, partly provincial government. The problem being here, with all the downloading that your government has done to municipalities, is where do they get the money to cost-share their part? Up goes the mill rate again. That even is it worse . . . it adds a worse problem than you even had before.

Madam Minister, another area I would like to get into is the main farm access program. The main farm access program has been a great program out there, and RMs were very much, I believe, unaware that this was coming. Now a number of . . . Could you maybe start with . . . Might be the question to be asked here is, how many miles of main farm access are going to be dropped now because of the funding cuts that you have made this year?

Hon. Mrs. Teichrob: — Mr. Chairman, this is a very important point that the member raises. And this was a point of some difference in our discussions with SARM — I think it's fair to say — is that most of the other provisions there was general agreement about.

But we do feel at this stage — and our Minister of Highways today made a ministerial statement on the new proposed . . . well, the transportation strategy — that at this point in time, with railroad abandonment, the very rapid reconfiguring of the grain collection system in this province, that it is very important at this time to take pause and not to add to the main farm access . . . new miles to the main farm access network at this point.

I mean municipalities can, if they feel it's a need to build that class of a road, they can certainly do it with their own money. But we're trying to send them a message, I guess, that we do not want to cost-share in extending the length of the network at this point. That is, it's more important to get focused, as the transportation strategy will help us do, to make sure that the dollars that are put into road infrastructure or transportation infrastructure in this province be dedicated to those roads that are going to be there for — if you'll excuse the pun — for the long haul.

And so that's the principle behind it. People may or may not agree. We did leave the re-gravelling grants in place for existing miles of farm access classes of roads. But new . . . just for the time being, we don't want to do anything to encourage new construction in that road class.

Mr. Bjornerud: — Thank you, Madam Minister. And I would suggest that you've probably accomplished what you set out to do, because you haven't sent much encouragement to the RMs

of this province.

Madam Minister, if I understand what you're saying, why the main farm access construction of the roads was dropped, then I would've thought that probably you would've wanted to put more into the grid road system. And correct me if I'm wrong — because a lot of this is new stuff just coming out and I may be wrong — but we have the basic funding for the grid road systems, whether it's primary or grid, plus a percentage. And am I right in my understanding that the percentages have been also cut for the grid road system?

Hon. Mrs. Teichrob: — Mr. Chairman, obviously the amount, the size of the pool, has been reduced — the amount that's available. And I'm given to understand that there has been some change in the percentage that's matched too. And I haven't got that with me but I can undertake to get it for you and I will do so.

Mr. Bjornerud: — Thank you, Madam Minister. I'd just like to go back to the main farm access system for a minute, Madam Minister. And many of these projects, I would believe they would have been engineered by the point at which the dropping of the main farm access funding had come in.

Do you have any idea of the number of roads that were already engineered ahead of the cuts? And if so, have you considered giving any assistance to these RMs? Because if I understand it right, the RMs that have gone out and spent money on engineering and now can't afford to build it on their own are actually . . . have wasted their money. Have you given any consideration to at least cost-sharing the engineering that has already been done because these RMs have to outlay that money, and I mean it's of complete no value to them if they can't afford to build the road on their own.

Hon. Mrs. Teichrob: — Mr. Chairman, the member opposite makes a valid point in this respect in terms of the work in progress that's there, in terms of whether it's engineering or partial construction, but some investment that has been made by municipalities. So we are . . . We don't have all the data yet, but we are reviewing that situation. We are aware of the difficulty it will cause for some rural municipalities and we will be making some decisions on that within reasonably short order because we know that the construction season is almost upon us.

Mr. Bjornerud: — Thank you, Madam Minister. I think another of the concerns that RMs must have out there and I know it's definitely a big concern for the building contractors, road-building contractors throughout the province. And I think we have saw this before. When the futures were dropping four to two, the contractors really got very shaky out there about how their industry was going to survive.

Well now, Madam Minister, I'm sure you're getting the same calls as I am. These people are really worried now because it's the little projects that are going to be able to take place under the new futures program that isn't there any more.

Do you not agree that in the end this is going to end up costing

us all more money because we're going to end up with less contractors? And we're going to get to a point where the competition is not there anywheres near like it is now, which we need as taxpayers out there to keep a level playing-field, I guess if you want to say, when our tenders go out so that we get five or six contractors bidding. If the work is not there and we end up with one, maybe two bids on a job, we're going to be at the mercy of the contractors.

And I mean I feel for these people too because as RMs out there, we have to have these people to build roads. We cannot survive without them. So do you agree with me that we're actually defeating our own purpose here to an extent with what we're doing?

Hon. Mrs. Teichrob: — Well, Mr. Chairman, I can't agree with the member opposite at all.

In addition to the almost \$50 million that will be going to rural municipalities this year from various sources, there's also the infrastructure money that's going to the urbans which is close to \$20 million or over 15, and a lot of that will be spent on transportation in terms of overpasses and highway connectors and so forth. And then we've got an increase in our Highways budget this year, Mr. Chairman, of \$30 million. So that's well over \$100 million incremental money this year to go into road construction.

So I think that the contractors, contrary to the member's view opposite that they might have a tough year, it's going to be a banner year for contractors. In fact there's more a danger that we won't be able to get enough contractors to do the level of construction that this amount of cash available in the system this year would allow to happen, Mr. Speaker.

The committee reported progress.

The Assembly adjourned at 5 p.m.

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