

The Assembly met at 1:30 p.m.

Prayers

## ROUTINE PROCEEDINGS

### PRESENTING PETITIONS

**Mr. Krawetz:** — Thank you, Mr. Speaker. Mr. Speaker, I have a petition to present on behalf of residents from the community of Francis. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to cancel any severance payments to Jack Messer and to immediately call an independent public inquiry to find all the facts surrounding the Channel Lake fiasco.

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

I so present.

**Mr. D'Autremont:** — Mr. Speaker, I also have petitions to present today. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to cancel any severance payments to Jack Messer and to immediately call an independent public inquiry to find out all the facts surrounding the Channel Lake fiasco.

And as in duty bound your petitioners will ever pray.

These petitions comes from Milestone, Regina, and Radville, Mr. Speaker. I so present.

**Mr. Toth:** — Mr. Speaker, to present petitions as well, reading the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to cancel any severance payments to Jack Messer and to immediately call an independent public inquiry to find all the facts surrounding the Channel Lake's fiasco.

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

This petition is signed by individuals from the Naicam, Rosthern areas.

**Mr. Bjornerud:** — Thank you, Mr. Speaker. I also have a petition to present. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to cancel any severance payments to Jack Messer and to immediately call an independent public inquiry to find all the facts surrounding the Channel Lake fiasco.

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

The community involved, Mr. Speaker, is Hudson Bay.

**Mr. Heppner:** — Mr. Speaker, I too rise to present a petition and these come from individuals who are concerned about the payment made to Jack Messer and asking that that be immediately stopped. And this comes from the people in the Spiritwood and Leask area.

**Mr. Gantefoer:** — Thank you, Mr. Speaker. I too rise to present petitions on behalf of Saskatchewan people. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to cancel any severance payments to Jack Messer and to immediately call an independent public inquiry to find all the facts surrounding the Channel Lake fiasco.

The signatures on this petition, Mr. Speaker, are from Tisdale, Melfort, Arborfield, Star City.

**Ms. Draude:** — Mr. Speaker, I also have a petition to present today.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to cancel any severance payments to Jack Messer and to immediately call an independent public inquiry to find all the facts surrounding the Channel Lake fiasco.

As in duty bound, your petitioners will ever pray.

The people that have signed this petition are all from Francis.

**Mr. Boyd:** — Thank you, Mr. Speaker. I'm pleased as well this afternoon to present a petition on behalf of residents of Saskatchewan. The petition surrounds the whole Jack Messer, Channel Lake situation here in the province of Saskatchewan that many people across this province are participating in our campaign to stop this . . .

**The Speaker:** — Order, order. Order. Now the hon. member will, being a veteran member, will recognize of course that to present remarks that become debate, in a petition, is out of order and I'll ask him to go directly to the prayer of the petition.

**Mr. Boyd:** — Thank you, Mr. Speaker. I am pleased to present on behalf of the people of Saskatchewan the petition surrounding this incident. And these people, the petitioners, come from the Hudson Bay area of Saskatchewan. As I said, coming in from all over the province.

**Mr. Osika:** — Thank you, Mr. Speaker. I am here to present a petition on behalf of people from the Pilot Butte, Regina, White City areas. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to save the Plains Health Centre by enacting legislation to prevent the closure, and by providing adequate funding to the Regina Health District so that the essential services provided at the Plains may be continued.

As in duty bound, your petitioners will ever pray.

I so present.

**Mr. McPherson:** — Thank you, Mr. Speaker. I join with my colleague in bringing forward the Plains hospital petitions. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to save the Plains Health Centre by enacting legislation to prevent the closure, and by providing adequate funding to the Regina Health District so that the essential services provided at the Plains may be continued.

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

Mr. Speaker, the people that have signed the petition are from the Ponteix and Aneroid areas of the province. I so present.

**Mr. Aldridge:** — Thank you, Mr. Speaker. I too rise to present petitions of citizens concerned about the Plains hospital closure. The prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to save the Plains Health Centre by enacting legislation to prevent the closure, and by providing adequate funding to the Regina Health District so that the essential services provided at the Plains may be continued.

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

Those who've signed these petitions are from communities of Assiniboia, Lafleche, Viceroy, Mossbank, Limerick, and also the community of Morse. I so present.

**Mr. McLane:** — Thank you, Mr. Speaker. I rise today to present a petition on behalf of people of Saskatchewan.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to save the Plains Health Centre by enacting some legislation to prevent the closure, and by providing adequate funding to the Regina Health District so that the essential services provided at the Plains hospital may be continued.

Mr. Speaker, this petition has been signed by the people that live in Assiniboia and Limerick and surrounding areas. And I so present.

**Mr. Goohsen:** — Thank you, Mr. Speaker. I'm happy this morning, Mr. Speaker, to present on behalf of the people of the beautiful community of Morse, Saskatchewan, and a few from Ernfold, the following petition:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to reach the necessary agreements with other levels of government to fund the twinning of the Trans-Canada Highway in Saskatchewan so that work can begin in 1998, and to set out a time frame for the ultimate completion of the project with or without federal assistance.

As in duty bound, your petitioners will ever pray.

And I'm really happy to present this on their behalf, Mr. Speaker.

## READING AND RECEIVING PETITIONS

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

Of citizens petitioning the assembly respecting the funding of the twinning of the Trans-Canada Highway; acting to save the Plains Health Centre; and the cancellation of severance payments to Jack Messer and calling an independent inquiry into Channel Lake.

## PRESENTING REPORTS BY STANDING, SELECT, AND SPECIAL COMMITTEES

### Standing Committee on Crown Corporations

**Ms. Lorje:** — Thank you, Mr. Speaker. I wish to present the third report of the Standing Committee on Crown Corporations.

Mr. Speaker, your committee, in examining the matter of the acquisition, management, and sale of Channel Lake's petroleum company by SaskPower is pursuing a line of inquiry in which it has deemed it necessary and advisable to have the services of an expert adviser and legal counsel. Your committee recommends therefore that the Assembly authorize and empower the committee to engage the services of counsel and that it be deemed to have had such power and authority as and from March 30, 1998.

And further, your committee recommends that the Assembly authorize the television broadcast and distribution of the proceedings of the Standing Committee on Crown Corporations on the legislative broadcast system during its hearings on the above inquiry at the direction of the committee.

I would respectfully submit my report, Mr. Speaker, and I will now move the following motion:

That the third report of the Standing Committee on Crown Corporations be now concurred in.

I move it, seconded by the member for Prince Albert Carlton.

Motion agreed to.

## NOTICES OF MOTIONS AND QUESTIONS

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

Of the Minister of Justice: how many people presently sit on the Surface Rights Arbitration Board under authority of The Surface Rights Acquisition and Compensation Act, 1969; what job description and criteria must these people meet to qualify for a position on the board; how many cases do these members hear each month; how many remain on the books unsettled, that is how many applications I guess, or hearings remain on the books unsettled; what is the remuneration for each member and

the chairperson; how many board members are not . . . or previously were members of the NDP (New Democratic Party); at what point was it decided that precedence could not or should not be used by the board in accordance with the Canadian and British system of law?

I so present.

#### INTRODUCTION OF GUESTS

**Hon. Mr. Serby:** — Thank you very much, Mr. Speaker. Seated in the government galleries this afternoon are three gentlemen who are from my constituency of Yorkton: Mr. Max Proutts, Mr. Robert Horvath, and Mr. Martin. These three gentlemen have been working with the Department of Highways for a number of years.

Mr. Horvath, of the three — who's seated in the middle — is still employed. The other two are now retired and are enjoying the fruits of all their hard labour over the number of years. So I want to this afternoon welcome them to the Assembly for question period and ask all the members to join with me in welcoming them here this afternoon, Mr. Speaker.

**Hon. Members:** Hear, hear!

#### STATEMENTS BY MEMBERS

##### Poll Results

**Mr. Krawetz:** — Thank you, Mr. Speaker. Mr. Speaker, when the Saskatchewan Party was born just a few short months ago, our first goal was to establish ourselves as the real opposition and the clear alternative to the NDP government.

A poll published in today's *Leader-Post* and *Star Phoenix* shows that we have achieved that goal. Nearly 60 per cent of those who expressed an opinion said the Saskatchewan Party is the more effective opposition. The poll shows the Saskatchewan Party is clearly seen as the better opposition by our party supporters, while the Liberal opposition doesn't even have the confidence of Liberal voters.

Clearly, many Liberal voters are looking for a better alternative and I would invite them to take a good, close look at the Saskatchewan Party.

As David Smith from the U of S (University of Saskatchewan) said:

"It's been quite a long time in the Saskatchewan legislature since there's been a concentrated, visible, forceful opposition," . . . "My sense is the public welcomes a strong opposition in this province."

Mr. Speaker, we are pleased that the public sees us as an effective opposition, but that is only the first step. Our goal is to be seen as an effective government heading into the next provincial election. We realize we still have a long way to go towards that goal, but with the election of our new leader, thousands of new Saskatchewan Party members, and an NDP government that is getting more arrogant and out of touch every day, we will move closer to that goal every day.

As I said the other day, Mr. Speaker, we're just getting started.

**Some Hon. Members:** Hear, hear!

#### New Saskatchewan Business Ambassadors Program

**Mr. Kasperski:** — Thank you, Mr. Speaker. Mr. Speaker, it was my pleasure to attend a press conference this morning where my colleague, the Minister of Economic and Co-operative Development, today announced a new program aimed at promoting Saskatchewan. Mr. Speaker, Saskatchewan people know what a great province this is to live and to work in and some less fortunate people outside our province are not aware of our dynamic, growing economy.

Mr. Speaker, the Saskatchewan Business Ambassadors program is one way we intend to tell the world about our province. The program will provide those travelling outside of Saskatchewan on business with marketing kits they can use to use to promote the province as a place to live, work, and to do business, Mr. Speaker.

The kit includes printed material and a CD-ROM (compact disc read-only memory) with information on our province, on our quality of life, and on our business advantages. Mr. Speaker, I have taken the liberty of providing a Business Ambassador's pin at each member's place and I invite each member to put them on as a show of pride for our province.

I hope all members of the legislature will join us as Business Ambassadors promoting Saskatchewan to the world. Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

#### Economic Developer of the Year Award

**Mr. Renaud:** — Thank you, Mr. Speaker. Mr. James Leier of Tisdale has been awarded the 1998 Economic Developer of the Year Award from the Saskatchewan Economic Developers Association at their annual convention held in Tisdale this past week, Mr. Speaker.

This distinction is awarded annually at the Saskatchewan Economic Developers conference. It is given in recognition of excellence in economic development enterprises at the local and regional level. A special committee of Saskatchewan Economic Developers reviews the accomplishments of candidates, which are drawn from the membership of the association.

Mr. Leier is the chairperson for the Eden REDA (regional economic development authority) and is employed as the director of economic development by the Kelsey Development Corp. and the town of Tisdale. Mr. Leier has also been recently recognized by the National Association of Economic Developers for overseeing very successful community investment programs in Tisdale.

Mr. Speaker, we all know that the strength of Saskatchewan is its people. I would like to acknowledge Mr. Leier's contribution, as well as others like him who are committed to improving the communities of Saskatchewan.

**Some Hon. Members:** Hear, hear!

## ORAL QUESTIONS

### Disney Buys Saskatoon Movie Rights

**Ms. Lorje:** — Mr. Speaker, one of the best news items in this month's good news budget was the announcement of the film employment tax credit equal to 35 per cent of the costs of employing Saskatchewan talent. Because of this boost to the Saskatchewan film industry, there will be a raft of announcements of projects in the movie industry in our province. Like this one — the Disney Corporation, maker of politically correct films like *Snow White* and *Dumbo*, has signed a deal with Edge Productions of Saskatoon to market the film *The Summer of Monkeys*, shot in Saskatoon last summer.

The director of Edge Productions, David Doerksen, said that Disney plans to market the film in the United States and around the world. The Canadian rights have been sold to Sullivan Entertainment. It appears that Edge Productions' film about a group of runaway anthropoids is in good hands.

The film stars Michael Ontkean and Wilford Brimley, the actor who told us eating oatmeal is "the right thing to do." *The Summer of Monkeys* will first be seen on Superchannel, then on cable, then in the video stores, with the possibility of a theatrical release.

And success breeds success. Both HBO (Home Box Office) and Warner Brothers has contacted Edge Productions about future projects. This, Mr. Speaker, is good news from Hollywood North.

Thank you.

### Remote Housing Program

**Mr. Johnson:** — Thank you, Mr. Speaker. Last spring our government announced that starting in 1997 we would, over the three years, spend \$8 million to provide housing in northern Saskatchewan. In 1997, 24 homes were approved to be built in six northern communities under the remote housing program. This represented \$1.8 million in new home construction, Mr. Speaker.

This year we will approve 20 more homes for construction. This represents another \$1.5 million in construction. Clients of the program finance 25 per cent of the basic building costs and contribute to construction of their new home through sweat equity, with their friends and family often pitching in. Grants for 75 per cent of construction costs are provided by the province.

Mr. Speaker, in 1996-97, through open tender, more than half of the work tendered under this program was awarded to northern contractors.

The remote housing program is more than an opportunity to provide much-needed housing, Mr. Speaker. It is also an opportunity for employment, an opportunity for training skills, and a general feeling of accomplishment for the people and communities involved. Thank you.

**Some Hon. Members:** Hear, hear!

### Inquiry into Channel Lake

**Mr. Boyd:** — Mr. Speaker. Mr. Speaker, my questions this afternoon are for the Premier or his designate. Well you finally got the little old Crown Corporations hearings off the ground this morning and people are starting to see that it is a phoney example of how democracy should work right from the outset.

I sat there for three hours in the committee listening to the Chair tell us how unbiased and impartial she was, and then listened to her blather on about her opinion about everything under the sun, including her dime-store political analysis of the performance of the opposition and the third party. If I want to know who's doing better in Saskatchewan in opposition, I'll consult the front page of the *Leader-Post*, not the NDP Chair of Crown Corporations.

Mr. Premier, Mr. Deputy Premier, would you now admit that your little NDP-run show trial is nothing but a charade and will you do the right and honourable thing and call a public inquiry that the public of Saskatchewan are demanding?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Lingenfelter:** — Mr. Speaker, I want to say to the member opposite that it's my understanding that the whole committee was working very well when the member from Melfort was there discussing and debating.

And I wanted to congratulate all members, if they cease yelling from their seats, Mr. Speaker, as they're prone to do and are allowed to do — holler and yell while I'm trying to answer. But the fact of the matter is, but the fact of the matter is that the committee is working well, that the members are there asking questions.

And I understand that while the member, the potential future leader of the Conservative Party, the member from Melfort was asking the questions, everything was going well. And all heck broke loose after the member from Kindersley came in.

Now maybe, just maybe, just maybe you should take a lead from that, sir. Maybe you should let the next leader ask the questions in a reasonable manner, which he's prone to do, and maybe you should take time back in your office doing those things that you like to do.

**Some Hon. Members:** Hear, hear!

**Mr. Boyd:** — Thank you, Mr. Speaker. It's no wonder that columnists are starting to call Saskatchewan "Arkansas North." This thing is being run like some backwater southern county where the mayor has bought off the local judge.

The Chair of Crown Corporations is taking your marching orders directly from the Premier. And if you don't believe that, just look what happened when our members called the Premier and ministers responsible as primary witnesses. The Chair got her Liberal puppet, the member from North Battleford, to move to adjourn the meeting. You could barely see her lips moving while he was talking.

Mr. Premier, Mr. Deputy Premier, you two over there are primary witnesses. The public of Saskatchewan is demanding that you speak to the Crown Corporations Committee and bring forward testimony. Are you going to appear, Mr. Deputy Premier, are you going to appear as a witness before the Crown Corporations Committee, or are you going to hide behind your hand-picked NDP Chair of Crown Corporations?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Lingenfelter:** — Mr. Speaker, as hard as it is for the member from Kindersley to admit this, I think the Chair today congratulated all members when they made comments, even the member from Melfort, the former Liberal who now says he wants to lead the Conservative Party.

And I understand that, that people do have the right to change parties. Some would argue, a deal cut in the dark of night, why he would do that. But the Chair of Crown Corporations has a role to play; she's doing that. And we intend the committee to work.

What I want to do today is congratulate the members opposite, who had been boycotting the House and boycotting their own committee, the Public Accounts Committee, of finally coming to the committee and beginning the work of investigating, and carrying out the inquiry into Channel Lake.

**Some Hon. Members:** Hear, hear!

**Mr. Boyd:** — Mr. Speaker, what we have here is an NDP judge — in this case the member back over in the corner there — and an NDP jury looking into NDP crimes and preventing, preventing us from calling forward NDP witnesses. The Chair of Public Accounts is not only clearly biased, she's incompetent. We spent most of the morning listening to her blather on about what she thinks. Well nobody cares what she thinks. She is a facilitator, and nothing other than that, and she should keep her remarks to herself.

Mr. Premier, Mr. Deputy Premier, you have now admitted it. The Premier has admitted to interfering with the SaskPower board to save Jack Messer's job. We want to know how many more times did the Premier intervene on behalf of Jack Messer. Is the Premier's fingerprints all over Jack Messer's severance cheque? And will the Premier, will the Premier of Saskatchewan be at Crown Corporations Committee to testify before that committee?

**Hon. Mr. Lingenfelter:** — Mr. Speaker, it's my understanding that the process this morning was one that all members of the committee were involved in. That questions were asked by the member from Melfort, by members from the Liberal caucus, members of the NDP caucus. That's as it should be in setting up the process and structure of who should appear before the committee, who should give evidence in the inquiry which is being carried out by the House.

And I want to say to you, sir, that the insults that you throw across the floor about a private member who's unable to stand and defend herself in this House, I think is unconscionable and I would ask you to apologize, to apologize in carrying that out in that manner.

**Some Hon. Members:** Hear, hear!

### Saskatchewan Health Information Network Appointment

**Mr. Toth:** — Thank you, Mr. Speaker. My question is for the Minister of Health. Mr. Minister, yesterday we learned that the Premier intervened to save his old buddy Jack Messer from the chopping block, against the best judgement of the SaskPower board.

Jack Messer's not the only political hack who gets fixed up by this government. Last week the minister assured us Gord Nystuen was not a political appointment. He said the SHIN (Saskatchewan Health Information Network) board made the decision and Nystuen was more qualified than the other 37 candidates. Really, Mr. Minister?

Mr. Minister, here I have a résumé from one of the five candidates short-listed in the recruitment process. Let me tell you, the only way Nystuen was more qualified is through his membership in the New Democratic Party.

Mr. Minister, when is your government going to start appointing qualified men and women to run our Crowns and highly important initiatives such as SHIN?

**Hon. Mr. Serby:** — Thank you very much, Mr. Speaker. I want to agree with what the member opposite says, that this is a very important and significant project, SHIN is. And it will provide comprehensive information to the people of Saskatchewan and we will be able to link communities within the new health information age in a way in which we're not accustomed, and will provide regional services as well to communities that we've not seen in the past.

So the member is right in terms of what SHIN will do. The member is not right when he suggests that there has been any interference on the part of the government in the selection of this individual — absolutely false. There are, Mr. Speaker, there are, Mr. Speaker, 25 members who sit on the SHIN board. Of those SHIN board . . . On that SHIN board there are only two government representatives.

And when the election . . . when the selection process began there were 39 applications that made their way to the SHIN board, and from that there was a short list of four, I understand. And from those four, Mr. Nystuen was selected through a process that is directly involving the executive of the SHIN board, and they made Mr. Nystuen their candidate as the person who's responsible for overseeing the Crown.

**Some Hon. Members:** Hear, hear!

**Mr. Toth:** — Mr. Speaker, a further question to the minister. Mr. Speaker, the minister insists Nystuen was the most qualified person for the job. Well let's do a little comparison.

Who do we want running the health information computer network — a person with a master's degree and a Ph.D. in medical physics from the University of Saskatchewan, or an NDP hack with experience in Liquor and Gaming; a former director of nuclear medicine at the Winnipeg general hospital, or an NDP bagman; a person who is recognized internationally

for his contribution to the application of computers in nuclear medicine and has extensive experience in the telecommunications and information technology sectors, or an NDP hack that deals with computer problems by turning them off?

Mr. Minister, in your estimation, who is better qualified to run the computerized health network — an NDP bagman or a highly qualified medical professional with an extensive background in computer information systems? Mr. Minister, who is more qualified?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Serby:** — Mr. Speaker, if the member is asking me who is more qualified to manage the SHIN operation in this province, what the member should be doing is he should be calling Mr. Jack Grossman. Mr. Grossman is the Chair of the SHIN board. Mr. Grossman would say to the member opposite that we have a process.

Now if you don't believe or don't appreciate and don't accept the fact that people and representation from the Saskatchewan Medical Association, that the nurses from the nurses' association, from SUN (Saskatchewan Union of Nurses) and from the SMA (Saskatchewan Medical Association) and people from the college of physicians and surgeons can't make a decision about who is best to operate the health system in the province, then they should revert back to the old system that the Tory member opposite used in the 1986 to 1990, which was to select people based on their political preference, not on their abilities. And that's not the way Mr. Grossman and the SHIN board is going to do business or hire people, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

#### Escape from North Battleford Facility

**Mr. Heppner:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Justice. This morning the people of North Battleford and throughout Saskatchewan awoke to the startling news that Sandy Charles, the teenager who murdered and ate the flesh of a 7-year-old, was at large over night after escaping from custody during a refreshing walk in the sun. Media reports he simply ran away from the person who was supervising him.

Mr. Minister, this person has been described by the RCMP (Royal Canadian Mounted Police) as psychotic and extremely dangerous. Can you tell the people of Saskatchewan why a person as threatening to the public as Sandy Charles was in a position to so easily escape in the first place? Mr. Minister, how can this happen?

**Hon. Mr. Serby:** — Mr. Speaker, I want to just inform the member about this situation because, as he knows, the member has been returned to custody again. The forensic unit in North Battleford takes very seriously the protection of its inmates in a very serious fashion. And the forensic unit in North Battleford also provides, on a daily basis, comprehensive assessment and treatment for people who need to be incarcerated.

As the member has indicated, on a daily basis this individual is

assessed to try to appreciate and understand what kind of programming he can be involved in, or she can be involved in, depending on what the individual needs of the client might be. On this particular day this individual was also assessed. And when they took this individual out into the community, this person managed to escape.

Now into the future, Mr. Speaker, what will happen is exactly the same process that we're doing today. The person is returned back into custody again. And we appreciate the difficult environment under which these assessments are made.

**Some Hon. Members:** Hear, hear!

#### Plains Health Centre Closure

**Mr. Aldridge:** — Mr. Speaker, much of the media's attention today is focused on what is taking place in the Crown Corporations Committee meeting, but there's another issue today that's an even greater travesty.

This NDP government demonstrated its priorities when it announced that the Plains hospital will be the future home of SIAST (Saskatchewan Institute of Applied Science and Technology) just as the Liberal opposition revealed last week.

Mr. Minister, Regina is in the midst of a health care crisis. There have been cases when there isn't a single available bed in this city, and waiting-lists are at an all-time high. Still you want to close the Plains hospital. Please explain why your government is turning your backs on the health care needs of the people of southern Saskatchewan.

**Hon. Ms. Crofford:** — Thank you, Mr. Speaker. As you would know, in 1995 the district health board, Mr. Speaker, told us it was their intention to create two centres of excellence for health in the city of Regina and to consolidate technical expertise and skills within those two centres. They indicated to us at that time that they were vacating the Plains, and what subsequently happened was an investigation into the best alternate use of that facility.

And clearly the education of 12,000 students to participate in a facility that will assist them to find jobs in the new and changing economy is very worthwhile. There's 12,000 students from southern Saskatchewan that will be going to this facility. And we had a large representation of supportive people from the community today. And I would say that we now have consolidated and enhanced services for both health and education.

**Some Hon. Members:** Hear, hear!

**Mr. Aldridge:** — Mr. Speaker, this government might think that today's announcement will dampen efforts by those who are fighting to save the Plains and our health care system, but in fact the opposite is true. Our office has been flooded with calls since the announcement was made earlier today, and people are telling us to keep up the fight. Don't allow the NDP to shove this decision down our throats.

Mr. Minister, it's not too late to let the people have a say. Allow the residents who will be affected by this decision to speak.

Will you place a moratorium on the closure of the Plains until the next provincial election?

**Hon. Ms. Crofford:** — Thank you, Mr. Speaker. I might start out by pointing out that you know, even though you continue to portray differently, that there will be no loss of services in the city of Regina.

And I would ask you, when we have back-filled all of the federal Liberal cuts to both education and health, that you would just get on board and support the effective use of the dollars of these areas for the enhancement of services in a way that makes sense to anyone who had bothered to give it a little thought.

**Some Hon. Members:** Hear, hear!

**Mr. Aldridge:** — Mr. Speaker, the Liberal opposition demonstrated yesterday that this government's been misleading people about the financial costs of the decision to close the Plains hospital. Isn't it possible that you've also failed to address the human costs that go with shutting down the Plains hospital, or is this just one more example that underlines the fact that you just don't care.

**Hon. Ms. Crofford:** — Well first of all, just to help you out with your facts a little bit, even in order to use this as a technical facility, it's going to have to be vacant for a whole year while all the mechanical systems are removed. So you greatly misrepresent the difficulties in moving down the road that you would advise.

But I would tell you that 91 per cent of the students who graduate from SIAST are employed; 93 per cent of those students are employed in Saskatchewan and 48 per cent are employed outside the centres of Regina and Saskatoon. This is certainly of the 70 that serves all the . . .

**The Speaker:** — Order, order, order. Order. Now . . . Order, order. Now the Chair is having some difficulty being able to hear the answer being provided by the minister, and I'll ask for the cooperation of the House in order to provide the minister's response be heard.

**Hon. Ms. Crofford:** — Well, Mr. Speaker, we have more people working in this province than ever before in its history. And we certainly agree that there are challenges in health, but we have huge challenges in education as well.

And there's 12,000 students being trained to work in the Saskatchewan economy. We have employers saying this is a critical need for them. And certainly they are very enthusiastic about the opportunity to come together in this facility.

**Some Hon. Members:** Hear, hear!

**Mr. Aldridge:** — Mr. Speaker, this is an issue that affects the people of Regina and southern Saskatchewan. I'd like to read a few lines from a letter addressed to the Premier from a Moose Jaw resident about the proposed closure of the Plains. And it reads, and I quote:

Mr. Premier: Many bills are passed in parliament on the

strength that if one life is saved it would be worth it. The Plains has saved my life once, and many others. Follow your conscience, sir.

Mr. Premier, do you have a conscience left? Do you remember what it's like to care? Try to think back when you placed a proper value on health care in this province. Will you follow your conscience? Will you place a moratorium on the closure until the people can have their say in the next provincial election?

**Some Hon. Members:** Hear, hear!

**Hon. Ms. Crofford:** — Having driven from Moose Jaw to Regina many times, in my recollection the Lewvan is actually closer to Moose Jaw and it leads directly to the Pasqua Hospital, so I think there is no particular difficulty there.

Over a lifetime a family occupies many different homes and what's important is that you have the same facilities as you have in the previous one. There is no loss of services, no loss of beds, and you should quit worrying about it and support this very excellent project.

**Some Hon. Members:** Hear, hear!

### Rural Health Care

**Mr. McLane:** — Mr. Speaker, another day, another meeting, and a community of concerned citizens about what's happening to their health care. Mr. Speaker, last night our leader, Jim Melenchuk, was among 400 people who attended a meeting in Wynyard where residents are hoping that a \$1.5 million deficit facing the Living Sky Health District will not result in further bed closures or elimination of front-line workers. Unlike a government that doesn't care and the Tories who would privatize health care, the Liberal opposition believe that proper health care services are paramount in urban and rural Saskatchewan.

Mr. Speaker, my question is for the real Minister of Health today, whoever that may be. Mr. Minister, hundreds of concerned people are expected to attend another meeting tonight in Watrous, the Minister of Agriculture's own home town, and I plan on being there. Mr. Minister, will you accompany me to that meeting tonight and will you tell the people of Watrous why you're downsizing and cutting health care services in Watrous?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Serby:** — Mr. Speaker, there are two issues here that the member needs to pay attention to. First, the member opposite needs to remember that in this province we have health boards, and through the decision-making process that we have, through a democratic process that we have in this province, health boards have been assigned the responsibility of ensuring that the most appropriate, efficient health services are provided in their district.

Today the Living Sky District is pursuing, through the various communities that are within that area, what kinds of health services and needs they need to provide and are completing that

process today. The member opposite needs to remember that just not more than 10 days ago in this province, we put \$1.72 billion into the health care budget, the largest amount of funding that has ever gone into the health care system in this province. And this province is funding health care nearly at 88 per cent of its total allocation — no assistance from the federal government, all provincially funded health care dollars in this province on an annual basis with no federal participation.

**Some Hon. Members:** Hear, hear!

**Mr. McLane:** — Thank you, Mr. Speaker. Well, Mr. Minister, I am going to be at that meeting tonight as I said. And you know what I'm going to tell the people there? I'm going to tell them to fight for their hospital beds because there are no other places for them to go. There are no extra beds in Regina, Saskatoon, or other cities. They're overflowing.

We have waiting-lists that are an all-time high, Mr. Minister. We have stretchers lining the hallways of our hospitals. There are occasions when there is not a single hospital bed available in this entire city of Regina and still we see health care cut-backs continuing.

Mr. Minister, you brag about, you brag about a \$1.7 billion health budget, the highest ever in this province. But can you tell the people of the province, where has all the money gone?

**Some Hon. Members:** Hear, hear!

**Hon. Mr. Serby:** — Well I could tell you where the money hasn't come from. The money hasn't come from the federal government in Ottawa. That's where it hasn't come from. And it's come from the people of Saskatchewan and from this government.

Now for the member opposite to stand up and say that he believes in a democratic process and that he doesn't believe in the two-tiered health system, this is what his leader said. This is what his leader said — Mr. Melenchuk, who was at the meeting last night but just recently said — private, specialized surgical clinics should be permitted to open in the province of Saskatchewan. That's what your leader said on November 27 of 1996.

You should stand up tonight when you're at the meeting and say that this is what your leader believes in. He believes in private clinics. He believes in privatization of the medical system and the health system. He believes in two-tier care health. This is your leader who says this. This is your leader who talks about the democratic process, who said that you may not get, you may not get the democratic process working if you believe in district health boards. He doesn't believe in district health care boards. So clearly, Mr. Speaker, you . . . two-tiered health . . .

**The Speaker:** — Order, order. Order. Next question.

#### **Escape from North Battleford Facility**

**Mr. Heppner:** — Thank you, Mr. Speaker. Again to the Minister of Justice. Mr. Minister of Justice, thankfully Sandy Charles was apprehended before he could harm any other

innocent victims. However that's of little comfort to the people of Saskatchewan who now know exactly how easy it is for murderers such as Sandy Charles, who are confined to mental hospitals, to escape from custody.

What procedures are in place currently? Will you immediately make the safety of citizens of Saskatchewan your top priority and change your lax policy when it comes to people like Sandy Charles and stop putting them in a position where they can so easily escape custody?

**Hon. Mr. Serby:** — Well, Mr. Speaker, it's unfortunate that the member opposite doesn't have a full appreciation of the role and the work of the North Battleford forensic unit. Because from time to time in this province, we have people who suffer from emotional issues that require incarceration. It's an unfortunate situation, Mr. Speaker, that that happens.

But we also need to be . . . we need to remember that in this province that we're blessed with one of the best services in the North Battleford forensic unit anywhere in North America — the best forensic unit.

Now from time to time, Mr. Speaker, we need to ensure that people who are in those kinds of environment are treated with dignity and compassion and care to ensure that they also have a life in an environment that none of us would like to live in.

In the case of this gentleman, on a day-to-day we assess his ability to perform the kinds of activities and behaviours that he can participate in. And yes, yesterday he was in an area that wasn't as confined as the professional community might have assessed him to be. But remember that on a day-to-day issue, the mental state of these people change, but we want to make sure that they also have an opportunity to live in dignity, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

#### **MINISTERIAL STATEMENTS**

##### **SIAST Wascana Campus Relocation**

**Hon. Ms. Crofford:** — Thank you, Mr. Speaker. I am very pleased today to inform the hon. members about an important announcement I made earlier today concerning the SIAST Wascana campus. The government is committed to investing in Saskatchewan people, and especially young people, through education and training that's linked to employment. Certainly that investment includes upgrading the facilities of our schools, universities, colleges, SIAST campuses, to ensure that students and teachers have access to an environment that is conducive to learning and teaching.

Ninety-one per cent of SIAST graduates are employed, Mr. Speaker, and 93 per cent of those in Saskatchewan — that's quite an achievement — 48 per cent outside Regina and Saskatoon. SIAST plays a very crucial role in the delivery of training in this province, yet for 25 years the institution's Wascana campus has not had a suitable home.

This morning I announced that eight existing Wascana campus sites will relocate to the soon-to-be-vacant Plains hospital site.



This move will provide students and faculty with a modern facility designed to accommodate the kind of training that leads to jobs.

Wascana campus's 12,000 students and 400 employees will be able to strengthen their sense of community in the new building. Students in academic upgrading, agriculture, health sciences, business and technical programs, will mingle in the hallways and common areas. Enhanced communication and cooperation will no doubt lead to innovative programing.

Overlap and duplication will be eliminated. There'll be equity in library, bookstore, registration, counselling, day care, and recreation services.

In addition, by amalgamating the operations at one site in close proximity to the University of Regina and Saskatchewan's high-tech research park, we're creating an exciting new model for partnerships in education, training, research, and economic development.

The new Wascana campus is a significant outcome of *The Saskatchewan Training Strategy*, and it positions SIAST to more effectively fulfil its training role in the province. This is truly a good news announcement. The amalgamation of Wascana campus is a sound decision that makes good use of the Plains site, and it's a good investment for our young people in Saskatchewan of the future. Thank you, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Mr. Krawetz:** — Thank you very much, Mr. Speaker. Mr. Speaker, while the Minister of Post-Secondary Education may think that this is a good news day, it is indeed probably also a very bad news day when we take a look at the fact that the campus which is now going to be expanding into an area that has been a very, very important hospital, not only to the people of Regina but also to the people of Saskatchewan, today is that final nail in the coffin. When people realize across this province that this government will not — will not — listen to the people of Saskatchewan and keep the Plains hospital open.

That realization is going to occur today, and I think we are going to see very, very angry people across the province. They believe that there is a need for the Plains hospital to be open and to serve the people of Saskatchewan. And today's announcement indeed says that's not going to happen.

On the other side of course, it is good news day for students in the city of Regina as well as all across Saskatchewan who attend the SIAST campuses. When we see the fact that eight campuses can be put together to improve program, and I say that sincerely, I hope that there is an improvement in the program, we do need that because we are lacking.

I looked at the minister's response this morning, and in it she states that there will be a savings of approximately \$3 million annually and this will help to pay for the \$28.8 million conversion that will be necessary. And I go back to the fact that apparently the Plains hospital is closing because we couldn't find \$10 million to take care of an asbestos problem. Now we found \$28.8 million to place into that hospital.

The balancing of the ledger is going to be interesting when we see that there will be \$3 million worth of savings and its going to pay for a \$28.8 million renovation. I think we have to take a good look at those numbers, Mr. Speaker.

When we have students that will attend and will benefit, no question I think that that will occur, I hope that the president, Mr. Knight, has indeed put together a proposal that will work for Saskatchewan students, because that who really is . . . what this program is all about — it's the students of Saskatchewan.

**Mr. McPherson:** — Thank you, Mr. Speaker. Well, Mr. Speaker, I think it is of course a sad day. It's sad because of what this government is doing. Mr. Speaker, this is not an education issue. This is a health care issue. And day after day what we bring into this House as a Liberal caucus are horror stories — horror stories where people can't get beds. There are no beds in this city. Weekend after weekend there is not one bed available or not even stretchers, enough stretchers available.

So shame on you in thinking that you can make this into an education issue. What it is, is turning hospital beds, hospital rooms, into offices, and that's were your priorities are. And I say shame on you for that.

People are being pulled off of their surgery beds. How many times did we hear of this, Mr. Speaker? Last fall, it was day after day people being pulled off their surgery beds because there was not a bed available for them after the surgery. And there are not beds available for them before the surgery.

And what's happening, you have people like the lady in Coronach who laid six days — six days, seven days — with a broken hip because she couldn't have a bed here in Regina. Shame on you.

If you think this is a good political move, so be it. If you are so confident, why don't you put the moratorium on the closure of the Plains until after the election? Put that question to the people of this province.

**Some Hon. Members:** Hear, hear!

**Ms. Julé:** — Thank you, Mr. Speaker. I request leave of the Assembly, Mr. Speaker, to respond to the ministerial statement regarding the amalgamation of programs and services at the Plains hospital.

Leave granted.

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, oftentimes ministerial statements that refers to changes being made by government leave questions in the minds of many people in Saskatchewan. And one of those questions that have been brought to my attention is what implications does this announcement have for Kelsey Institute in Saskatoon?

I have had concerns expressed to me by my constituents about program heads at Saskatoon's Kelsey Institute being replaced by department heads. If this is going to be the case, Mr. Speaker, it is the view of many that this is a very detrimental move to students and their chances of employment success.

It is felt by those students and by their parents that one department head who is responsible for overseeing a number of programs and who may not even be stationed at Kelsey, will not practically or effectively be able to serve the needs of Saskatoon students.

And so, Mr. Speaker, it is incumbent upon the minister responsible to explain the full implications of the amalgamation for the students that attend Kelsey in Saskatoon.

### ORDERS OF THE DAY

### WRITTEN QUESTIONS

**Mr. Kowalsky:** — Mr. Speaker, in the interest of providing open, accountable, and responsible government I hereby provide the written answer to question 16.

**The Speaker:** — Question 16 is answered.

**Mr. Kowalsky:** — And likewise for question 17, Mr. Speaker.

**The Speaker:** — Question 17 is answered and tabled.

### SPECIAL ORDER

### ADJOURNED DEBATES

#### MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Cline that the Assembly resolve itself into the Committee of Finance, and the proposed amendment thereto moved by Mr. Gantefoer.

**Hon. Ms. Bradley:** — Thank you, Mr. Speaker. I'm very pleased to be able to continue my comments that I began yesterday in support of our government's '98-99 budget. And what I said yesterday is that this budget is our fifth consecutive balanced budget and it's a budget that has balanced priorities, which are the priorities of the people of Saskatchewan. The priorities of some debt reduction, some tax reduction, and investing in people — in all of the key priority areas.

I'd like to just make a comment, as I already did yesterday, on the importance of priorities of health care and also education with the announcement that the minister has just provided today.

And certainly there has been concerns from my constituency of Weyburn-Big Muddy on the closure of the Plains and the consolidation of services at the General and the Pasqua. But what the people really do need to know and what they have to feel confident in is what will be the result of that? And the result of that will be no bed losses, no job losses, and improved services.

The other factor now today that was announced is that the consolidation of the SIAST facilities within the Plains institute is good news — it's good news for our students right across this province.

**Some Hon. Members:** Hear, hear!

**Hon. Ms. Bradley:** — Locating SIAST with the University of Regina and the high-tech research park together, provides unique opportunities for innovative partnerships in education, in training, in research. It makes a profile for SIAST. It will make a stronger sense of community for the students. Its single location will improve communications, there will be greater access to library and the bookstore resources, a more equitable support services. The decision is a good decision and it's a good investment in our young people and our future.

When I ended yesterday I was commenting on the irresponsible attitude that Ottawa has taken as it allows our grain transportation system to be dismantled without having a plan in place to deal with those consequences.

Mr. Speaker, those consequences are severe. Farmers are paying significantly higher freight rates. Often one-third of their grain ticket is going to the freight rate. The road impact costs for provincial and local governments have soared. These will increase by tens of millions of dollars per year over the next five years as more branch lines are abandoned and elevator consolidation continues.

Mr. Speaker, I'd like to give you some facts that will help to put the enormity of this crisis into perspective. Saskatchewan currently has 6,800 kilometres of rail branch lines. Over the past number of years about 3,400 kilometres have been abandoned. Another 1,140 kilometres have been identified for abandonment in CN and CP's (Canadian National and Canadian Pacific) three-year plan. Up to 3,000 kilometres of grain-dependent branch lines could be lost in the next five to ten years.

Mr. Speaker, if this is not tragedy enough, loss of these branch lines resulting in higher freight rates for the farmers, increased prices on our road system, there's also railway jobs, 600 railway jobs that could be lost in Saskatchewan. That's what's happening with our branch lines, Mr. Speaker. Tragic loss of valuable transportation infrastructure, paid for by the taxpayers of Saskatchewan and Canada and now being cast aside by the railways, all for the reason of bottom line economics.

(1430)

Unfortunately, a parallel process is also occurring on the grain handling side of the equation. In 1972, we had 900 grain delivery points in Saskatchewan with about 2,500 individual elevators. We currently now have 450 delivery points with about 650 individual traditional elevators, 47 larger terminal-style elevators. Industry sources forecast the number of delivery points in 10 to 15 years may be as few as 70. The bulk of the grain traffic that was carried on these branch lines will in the future be carried by large trucks on the provincial road network.

Mr. Speaker, the circumstance is a direct result of actions taken by the federal government. Yet there is virtually no money from the federal government. No money from the railways, no money from the grain companies to offset this massive shift of grain traffic from rails to roads.

Twenty million dollars per year over four years has been targeted for Saskatchewan in the Crow benefit pay-out; \$20 million over four years for railroads and highways under the Canada agriculture infrastructure program known as CAIP (Canada/Saskatchewan Agri-Infrastructure Program).

Compare that to the \$400 million cost of losing the Crow benefit in this province. Virtually the entire financial responsibility for maintaining and improving the highway and road infrastructure has been placed by default on the taxpayers of Saskatchewan.

Mr. Speaker, in addition, significantly increased transportation costs are being borne directly by producers impacted by branch line closures, as they're forced to buy larger vehicles and haul greater distances.

Mr. Speaker, my officials and myself have met with many community groups in the last year to discuss their concerns, and options for addressing these concerns. It's been a long, it's been a difficult process, but there is hope and there are examples where progress is being made.

Many of my colleagues here in the legislature will be aware of the success of the Southern Rails Cooperative of Avonlea, Saskatchewan's first short-line railway under the 1989 Saskatchewan Railway Act. It's a prime example of producers working together to save a branch line that was being abandoned.

Of course it wasn't all smooth sailing in the development process. But despite predictions to the contrary, Southern Rails Cooperative has continued to provide service for farmers in that area. They are now currently negotiating with CN to expand the area served by their cooperative. Now Southern Rails had a loan guarantee from the Government of Saskatchewan and they have fully discharged their obligation.

Omni Trax of Denver, Colorado operating the Carlton Trail railway has begun operating on two former CN subdivisions: the Meadow Lake and Blaine Lake subdivisions from Meadow Lake to near North Battleford; and the Warman subdivision from Prince Albert to Warman. As well, Omni Trax has begun operating the Hudson Bay line in Manitoba.

Mr. Speaker, I am pleased to report that we also have other potential short-line operations in other areas of the province. And in both past and future projects, the red herring of succession rights that is always being raised by the members opposite has not been and most likely will not be an issue.

Other potentially profitable lines will likely be bought up by private corporations similar to Omni Trax. These lines, for the most part, carry many different types of traffic not just grain. However, it's the other lines — the grain-dependent lines — that face the greatest risk of abandonment.

Mr. Speaker, our government continues to urge groups interested in putting together a short-line operation to do a detailed assessment of their line and their local commitment and then put together a comprehensive business plan. Community and producer support is critical to ensure there will be traffic on those lines.

My department is ready and it is willing to help. If there's need for financial assistance to purchase assets, the province is willing to consider each proposal on a case-by-case basis, providing there's evidence of strong local commitment and the potential for a viable operation.

But, Mr. Speaker, what is absolutely key to the viability of short-lines in this province is that we need some changes in the Canadian transportation Act and in the regulations that the federal government has put in place, because those changes that they have made are not short-line friendly.

For short-lines to be viable in this province we need to have revenue sharing ensured. We need to have short-lines that can deal with either of the main line carriers.

Mr. Speaker, as you may be aware, western premiers and western Transportation ministers last year asked the federal government to establish an independent, system-wide review to improve long-term grain handling and transportation performance from farm to customer.

In response, late last year, the federal government appointed former justice, Mr. Willard Estey, to chair this review.

I don't think there is any way to overemphasize the potential for impact on western producers of the work being done by Mr. Estey. This review has the same potential to change the grain handling and transportation system as the McPherson report of the 1960s or the commission findings of Justice Emmett Hall in the 1970s.

The Estey review can be a milestone, a landmark, a fork in the road. And as that famous philosopher and former New York Yankee catcher, Yogi Berra once said, when you come to a fork in the road, take it.

Mr. Speaker, I had the opportunity to meet with Mr. Estey in Regina, along with the other Transportation ministers and with our Agriculture ministers from Manitoba, Alberta, and British Columbia. We presented our views on options for developing a customer competitive oriented system and how the adoption of more efficient practices can contribute to resolving grain transportation performance problems.

In July of 1997 the western provinces sent our proposed terms of reference to the Minister of Transport, Hon. Collette. These terms of reference called for development, implementation, of modern logistic practices to enhance the competitiveness of grain, Canadian grain exports, by improving the overall system performance and efficiency.

In a recent meeting with Mr. Estey I specifically addressed the branch line abandonment issue and advised him, in Saskatchewan's view, the rail abandonment process is clearly not working in the best interests of all the players.

Federal legislation is preventing producers from obtaining increased control of the grain collection system by allowing the railways to segment and de-market unwanted branch lines in order to prevent the development of short-line railways.

The federal government has stated a primary objective of the

branch line abandonment provision in the CTA (Canadian Transportation Agency) is to promote short-line railways instead of promoting the discontinuing of service when lines are uneconomic.

Mr. Speaker, this isn't what's happening in Saskatchewan. The legislation is definitely not short-line friendly, as claimed by the federal government. Producers who want to operate short-lines on unwanted branch lines have been told by the railways that parts of these lines are not for sale.

We have seen that in the group of the west-central road committee — road and rail committee. They've gone to meet with CN and they've been told no, we don't want to sell. We will not negotiate. We just want to take a piece out here and a piece out there. Existing or future short-line operations do not have guaranteed access to the main line and they have to crawl into bed with CN and CP, on their terms. That is not short-line friendly. Existing or future short-line operations cannot automatically get a favourable revenue division with the main line carrier, a revenue division that will allow the short-lines to make a go of it. That again is not short-line friendly.

Mr. Speaker, we believe producers and other interested parties should be given a fair opportunity to purchase branch lines in instances in which short-lines will provide a viable alternative for moving grain, and they have strong local support. It makes sense. I stressed this to Mr. Estey at our January meeting, that the grain review must examine the branch line abandonment issue as part of its review. Our clear message to the federal government is that fast-track branch line abandonment is an abuse of the intent of the Canadian transportation Act and obstructs short-line development.

And I've asked the Minister of Transportation to intervene directly with the presidents of CN and CPR (Canadian Pacific Railway) to ensure that the railways negotiate in good faith where viable short-line proposals are put forward, to ensure that all other branch line rationalization plans are halted until the Estey review establishes new rules that provide a fair opportunity for short-line development.

But how did he respond? He says, well I think that the railways will probably play fair. Does it make sense to be dismantling a system while the review is taking place? And of course it doesn't. And I ask on our behalf of our provincial Liberals that they should get this message to their federal Liberal counterparts; that there should be a halt on abandonment during a review.

**Some Hon. Members:** Hear, hear!

**Hon. Ms. Bradley:** — Now it's interesting, it's very interesting to me, it's very interesting that the Liberal . . .

**The Speaker:** — Order, order, order, order. Now as all hon. members will appreciate, there's still some time available to enter into budget debate and put your remarks on the record. And I'll encourage all hon. members, if they have remarks to make, to put them on the record rather than shouting them across the floor.

**Hon. Ms. Bradley:** — Thank you, Mr. Speaker. I do want to

tell them that the Liberal Party themselves have just passed a resolution at one of their recent conventions. They passed a resolution calling for a stop to rail-line abandonment until a federal review is completed. But why don't they listen? They don't listen to the producers, they don't listen to the . . . well I haven't heard the provincial Liberals even saying it to their federal cousins. I can't get any commitment from them.

It seems to me, it seems to me if a review is to be legitimate, as I hope it is, that you don't dismantle the system in the year of the review. I've indicated to Mr. Estey that producers must have the chance to fully participate in this grain review process because they pay the full cost of grain handling and transportation. And I stress that farmers are clearly frustrated with continuing grain transportation problems.

Mr. Speaker, studies have shown that 500 to \$800 million annually can be saved in operational savings in grain transportation and we need to use practical, common sense approaches. But we have to ensure that some of those savings are going back to producers. And we have to know that some of those savings can go back into an infrastructure system in this province to meet the new demands.

We know how the railways can capture those savings. We do know how the grain companies can capture those savings, but how can we insure that the producers and the taxpayers are also protected.

This grain review may be the single most important event in the history of grain production in Canada.

Mr. Speaker, right across this province, rural Saskatchewan, but also all members of Saskatchewan, recognize this review and what's happening in transportation is a huge, huge issue. We have a federal government that took out a Crow benefit that saves them annually \$400 million. They deregulate a system that has no competition in it. And then they say, let's just wait and see what happens. It is irresponsible.

(1445)

Mr. Speaker, I just want to take a moment to quote from Kevin Hursh, what he has said:

It's time we had rules aimed at establishing the lowest cost system for farmers, for ratepayers, for taxpayers, rather than the railways and elevator companies. Public good for the use of the community at large.

That's what we need to happen in this year of the grain transportation review.

Mr. Speaker, I would also like to confirm that transportation is a priority area for our government. And with one of the largest per capita road networks in the known universe, highways and roads are a key component of our transportation priorities.

Mr. Speaker, we've increased our spending on highways and roads by about \$40 million in the '97-98 fiscal year. Not including the \$20 million provided to local governments through the Department of Municipal Government. We made a commitment to spend \$2.5 billion during the next 10 years to

improve our roads and highways.

For the 1998-99 fiscal year, we have a Highways and Transportation budget of \$219 million — an additional \$20 million increase from last year.

Mr. Speaker, we are going to put the roads in Saskatchewan into the best shape possible. We're using joint planning. We used transportation area committees to help establish our priorities.

I want to speak just very quickly for a moment about the petitions that had come in on twinning. And we made a commitment to do an additional 48 kilometres of Trans-Canada Highway — 27 kilometres on the west side, 21 kilometres on the east side. And let me remind people: we're doing that without one federal dollar in a national highways program.

Now I'm sure that members opposite from the Liberal Party were bringing me in petitions. I'm certainly hoping that they will help me as I take those petitions over to the Member of Parliament, Ralph Goodale, to make sure that those petitions also go to Ottawa. There is a federal responsibility here.

Mr. Speaker, this year our government will be spending a \$144 million to upgrade, to resurface and repair our roads and highways. That's more than 65 per cent of our total budget going to this critical work.

And, Mr. Speaker, I am proud of the department staff that will be . . . and the increase in staffing that will also happen to keep our roads in good shape in this province.

I'm pleased to say that I hear from right across this province how well the Department of Highways and Transportation meets with their areas and is doing the very best they can in building our system for the future. And I want to congratulate the department people for doing that fine work.

Our budget will increase about 58 positions within our department. It will also, because of the increase in the capital program, it's expected to create about 300 jobs in the Saskatchewan road building industry.

Mr. Speaker, I want you to know that I take our government's commitment to transportation very seriously, and that I'm determined to provide the residents of Saskatchewan with a transportation infrastructure that meets their needs.

And as I said previously, if we had meaningful federal cost-sharing on our national highways, meaningful compensation for the destruction of our road system due to rail-line abandonment, we could do a lot more in a shorter time frame.

In Saskatchewan, transportation is the backbone of our economy. Rail is a vital link in our ability to transport grain, and roads are an essential economic, cultural community lifeline.

We have a lot more to do, but we are making progress. And I'm confident that if we work together we can get the job done.

Mr. Speaker, I just want to take a few minutes on also talking about my other responsibility as being the Minister responsible for the Status of Women. I want to tell you about a number of ways government is working to promote women's equality in Saskatchewan. And I'd like to begin with the issue of pay equity because that is an important issue and one that has been receiving considerable media attention.

Unfortunately there's often a lot of confusion about pay equity and the wage gap and what government is doing to address it. So I'd like to take just a few minutes to outline the issue and clarify our actions.

Mr. Speaker, it's important to note that pay equity is often confused with equal pay for equal work. They're not the same thing. We have equal pay laws in place which ensure that women who do have same or similar work as men are paid equally. These protections have been in The Labour Standards Act for more than 20 years.

As you know, men continue to earn more than women. The difference in earning is the result of many factors. They include education, hours of work, work patterns, marital, family status, and discrimination based on gender.

Education is a factor because it leads to higher earnings for both women and men. And even more important, however, is the field of study. As I mentioned earlier, women are well represented in the province's universities and post-secondary institutions; however they tend to be concentrated in fields of study that lead to lower wages.

Relatively few women are enrolled in courses of study that are more likely to lead to jobs in higher paying fields such as engineering, physical science, and computer science. As a result, field of study has a bearing also on the wage gap between men and women.

So strategies for addressing this include gender equity programs throughout our education system. Among other things, we need to encourage girls and young women to excel in maths and sciences and to consider non-traditional careers.

Another major factor contributing to the wage gap is that women spend less time than men in paid work and more time on unpaid work. Even among those who are considered full-time workers in the paid labour force, women on average put in about 35 hours a week while men average 44 hours per week. As a result, men are taking home more money than women.

But women are much more likely to limit their hours of paid work because of their family responsibilities. So the fact that women are providing this unpaid support in the home often allows men to spend more time in their paid employment. So it's clear that the difference in work patterns between men and women, amongst other factors, is a major contributor to the wage gap.

Mr. Speaker, gender discrimination is another factor which contributes to the wage gap. Women's work has been traditionally undervalued and underpaid. And it's not that the work that women do is of low value; it's just the fact that it is

women who do it.

In a ranking of jobs according to skill and complexity, the U.S. (United States) *Dictionary of Occupational Titles* showed that zoo keepers and dog pound attendants were rated higher than nursery school teachers and child care workers.

Mr. Speaker, it's this traditional undervaluing of women's work is the problem that pay equity is designed to address. Pay equity process is designed to close the portion of the wage gap which is caused by undervaluing and underpaying traditional women's work. And this is what is being implemented through pay equity within the public sector.

Pay equity initiatives are under way in all government departments, in Crown corporations and agencies, as well as SIAST and the regional colleges. Approximately 24,000 people working for 24 different employers are affected. Our pay equity approach is moving along quickly and it's getting results.

It's anticipated by the end of 1998, 10 of the 17 Crown corporations — as well as the government departments and agencies — will have completed the pay equity process. This is no small task. It involves complex job evaluation plans; job class comparisons for a wide range of positions. Our approach has been to encourage employers and unions to work collaboratively on this process.

While formal pay equity initiatives such as this are important, there is no single remedy for closing the wage gap. It's estimated that pay equity will close about 20 to 30 per cent of the total wage gap. Economic equality for women in the workplace will only be achieved by addressing all of the other factors which contribute to the wage gap.

And to this end, the Government of Saskatchewan has undertaken a broad range of initiatives to secure women's equality. We have strengthened the child care system; we have the balancing work and family initiatives; we have employment equity that's mandatory; we have a Saskatchewan training strategy that's been developed by the Department of Post-Secondary Education and Skills Training.

In recent years our government has made significant changes in labour legislation which has had direct impacts on improving conditions for women workers. Saskatchewan Occupational Health and Safety Act was the first legislation to address violence and harassment.

New labour standards legislation improves working conditions and benefits for part-time workers, the majority of which are women. It also gives protections and benefits to domestic workers and strengthens maternity and other family-related benefits.

A new program that we have announced through the Women's Secretariat is the women's organization on-line program, providing more than 70 women's organizations with funding to access the Internet and take advantage of new communication technology. This program's emphasis is on rural, northern women, first nations, Metis, immigrant, visible minority, and disabled women.

And this program has received very, very positive comments from women's groups. I just want to read one. And I quote:

Finally, we want you to know that we think this program was a brilliant idea. We're about as excited as we can be about the opportunity you will be affording so many women across this province to open the latest door to power that seemed to have been shut in our faces.

In addition of course, there's been many other programs we've talked about in health care initiatives, in our social program redesign, which are all very positive news for women and for families and for people across Saskatchewan.

Mr. Speaker, just in closing I want to say one thing that I think is absolutely vital in what people in Saskatchewan believe in. I believe people in Saskatchewan believe in common sense, compassion, in community, but also commitment — commitment. As a parent, as a teacher, I've always felt that commitment was a very, very important quality.

When I ask my children, when they enter into some kind of a new program or they join a club, that they should give their commitment to that club. If they join 4-H or if it's the figure-skating or if it's the dance club, that they should give commitment to that. And so if they go part way through the year and all of a sudden things aren't working out that well, that they don't get to just quit. Because they've made their commitment for that year to be involved in that.

I believe when a politician goes out on a campaign and you've got a platform card in your hand and you knock on the doors of your constituents, you're making a commitment. You've made a commitment to the party that you represent. You're making a commitment to the constituents that you're asking to vote for you; that this is what you believe in. And you have a term, you know, that you're going to be elected for that term, and it's based on that commitment. The people vote for you based on your commitment.

And I've got our platform cards here from 1991 and 1995. And we've made commitments to the Saskatchewan people and we're living up to those commitments.

But what I find to be really disconcerting is the lack of commitment I have seen in the formation of the old, new, whatever we want to call it, Tory Party, the Saskatchewan Party.

How could people go out on their campaign, knock on doors and say, I am a Liberal and this is what I stand for and this is my commitment to you and this is what I've elected you for, and somewhere along the line they can't get along and all of sudden they change their name and they're something else. They're committed to something else.

It's the same as the Tories. They go out and campaign they're Tories and all of a sudden there's no commitment to that part way through. They try to change their name. There's no commitment. I want to quote, in just closing, what I think about the commitment that has been made for many of the opposition members. And I quote from the *Star-Phoenix*:

Ken Krawetz, asked about crossing the floor said, it's totally false and nothing but an attempt by the Tories to grab media attention. We have a signed document from all members and I can say unequivocally there is no truth to it.

I think that's something about commitment. I could go on; I've got quotes here from every single one of those members. And we have newspaper articles that they talk about their commitment. There's no commitment. They don't believe in government as a tool; they believe in power. And any way that they can try to grab that power they think that that's okay.

Mr. Speaker, I've enjoyed the opportunity to be able to stand in support of this budget. I believe it's a budget that's based on the values of the people of Saskatchewan. It is a balanced approach. It's an approach that invests in people. It's an approach that believes that government is there to do the best they can to improve our communities, to improve our province.

Mr. Speaker, I am proud to say I will be voting in favour of our '98-99 budget. Thank you.

**Some Hon. Members:** Hear, hear!

(1500)

**Hon. Ms. Atkinson:** — Thank you very much, Mr. Speaker. Mr. Speaker, I'm extremely pleased to rise in the Assembly today to participate in the budget speech debate. I want to talk about this government's budget as good news — a budget that particularly means good news for Saskatchewan education. And it's good news for Saskatchewan people and it's extremely good news for the future of our province.

First of all, Mr. Speaker, I would like to express my appreciation for my constituents, the citizens of Saskatoon Nutana constituency. As you know, I was first elected to take my seat in this legislature in the fall of 1986. And throughout those eleven and a half years I've been privileged to work with the many, many people of Saskatoon Nutana. I've been privileged to represent them in opposition when the NDP was in opposition between 1986 and 1991, and I've been pleased to represent them as a member of the government caucus.

The people of Saskatoon Nutana are my neighbours. A good many of them are beyond being acquaintances — they're my friends. And it's an important responsibility which they have entrusted to me to represent them in the Legislative Assembly of Saskatchewan. I feel extremely honoured to continue seeking to maintain their trust by working on behalf of all of the people living in my constituency.

I would also like to express my special appreciation to my constituency assistant, Lorna Bratvold, who so ably handles all of the issues that are brought to our constituency office, and she obviously helps me keep in touch with the many issues and concerns of the people of Saskatoon Nutana.

Now, Mr. Speaker, our government's 1998 budget is about three fundamental things. It's about vision, it's about balance, and it's about investing in people.

The budget, from my point of view, demonstrates the clear and

positive vision of our province's future which our government shares with Saskatchewan citizens. It's a vision of prosperity and a healthy province, a healthy society, where healthy men and women in healthy communities contribute to a caring, compassionate, and creative democracy.

It's a vision of a society of responsibility in which individuals and families take personal responsibility for their lives and where the broader society willingly accepts its responsibility to support those in need.

It is a vision, I think, inspired by the shared successes of our past but which faces the future with confidence.

I think that this budget also demonstrates our government's commitment to balance, to a reasoned and balanced approach to public policy. It's based on sound principles and achieves a balance among three important fiscal objectives: reducing the debt, reducing taxes in a sustainable way, and providing new investment in key public policy programs.

Mr. Speaker, the members opposite don't like to be reminded of this, but when our government took office in 1991, Saskatchewan had the highest per capita debt in Canada. That level of debt was unsustainable, and the annual interest payments alone quickly reached more than \$880 million.

Working together with all of our Saskatchewan citizens, we've been able in a shared, collective way to reduce that burden of debt and we've reduced the annual interest payments by more than \$150 million per year. That is \$150 million dollars every year, Mr. Speaker. That means \$150 million every year that no longer goes to New York or Zurich. It means that we have been able to take that \$150 million to improve public services, to improve people's lives, and to lower taxes for Saskatchewan people.

In addition to reducing the debt and the annual interest payments, our government has also continued to reduce taxes — not just for one year only, Mr. Speaker, not just during the year of an election, but we've reduced taxes in a steady, consistent and sustainable way.

Last year, two years before any kind of an election, we reduced the provincial sales tax by two full percentage points — the single largest and most broadly based tax reduction in the history of our province.

This year we are reducing the provincial income tax, once again, in a steady and sustainable way.

In addition to reducing the debt and reducing taxes, our government's balanced approach has provided in this budget significant improvement in public services for Saskatchewan people and Saskatchewan communities.

This budget, Mr. Speaker, is investing in people; it's investing for prosperity, jobs, and growth; it's investing in stronger and healthy communities; it's investing in our action plan for Saskatchewan's children; it's investing in health care; and it's investing in the future of our province by investing in education.

Mr. Speaker, before I turn specifically to the budget for education, I'd like to express my appreciation for the men and women who work throughout our public education system in classrooms and communities all across our province. I am absolutely convinced that there is no more dedicated and conscientious group than our own Saskatchewan classroom teachers, administrative and support staff, and locally elected trustees. And working together with parents and the broader community and the provincial government, these folks have built a public education system in our province which is second to none in Canada.

I know that all of the members of the Legislative Assembly will join me in expressing to all of these people our appreciation and the public's appreciation for their collective contribution.

**Some Hon. Members:** Hear, hear!

**Hon. Ms. Atkinson:** — Mr. Speaker, a moment ago, I said that our government's 1998 budget is good news for education. And I'd like to elaborate on that point for a moment.

Let us acknowledge some of the significant challenges and changing circumstances being faced by public education and our schools today — changing enrolment patterns and declining enrolment overall in rural school divisions. And this isn't just happening in Saskatchewan. It's happening in many provinces that basically have a rural economy.

Increasingly complex diversity among our student population and new pressures and expectations being placed on the education system by our society, which at times seems to turn to the school to solve every new social problem. Our schools are doing a great job, a good job, Mr. Speaker, at meeting those challenges, and it's important that Saskatchewan students, parents, teachers, trustees, and the public know that our government is committed to education as a high priority.

The 1998 budget clearly demonstrates our government's commitment to education. It demonstrates our commitment to education by investing in quality and sustaining excellence, investing in students with special needs, and investing in safe and healthy schools.

In a year when the total budgetary expenditure increase is 3.6 per cent, we're increasing our operating grants to schools this year by 5.7 per cent. When you take into account the additional provincial funds being provided to school boards for grants in lieu of taxes, our combined increase in operating funding for school boards this year is 6.2 per cent.

Mr. Speaker, this budget provides \$384 million in operating grants to schools, the highest level in Saskatchewan's history. This is an increase of almost \$21 million this year and we anticipate the province will now begin to bear an increasing share of total education costs.

Those provincial operating grants are distributed to school boards on a fair and equitable basis in accordance with the principles of equalization. The vast majority of the province's operating grants to school boards is given or provided unconditionally to school boards. That enables locally elected and locally accountable school boards to make the most

effective decisions in the interests of their students.

In addition to increases in the basic per pupil rates, I'm particularly pleased that we have targeted funding to specific needs and priorities; for example, an increase of 33 per cent in the total per pupil grant for curriculum implementation. This will help school boards and teachers to implement a core curricula effectively and to support it with appropriate resources.

An increase of more than \$2 million in provincial funding support for students who have special needs, and a significant increase in funding for student transportation. Providing appropriate bus service for students is an important factor in the cost of high quality education services to our sparse student population, particularly in some parts of rural Saskatchewan.

In addition to investing in educational quality, in excellence, and in the diverse needs of our diverse student population, this budget also provides for a substantial increase in our government's continuing investment in safe and healthy schools for Saskatchewan students. Our government has allocated \$7.3 million increase in the education capital funding this year — an increase of 43 per cent.

This funding will provide direct provincial government financial support for major projects in communities across Saskatchewan — communities such as North Battleford, Estevan, Yorkton, Central Butte, Biggar, and Lloydminster. A high quality education certainly does not depend solely on bricks and mortar, Mr. Speaker, but our students deserve a safe and healthy learning environment. And this budget demonstrates our government's commitment to make those investments.

It is for all of these reasons, Mr. Speaker, that Saskatchewan's 1998 budget is indeed a good news budget for education and a good news budget for our province.

Mr. Speaker, we should all note that every student in our school system today will spend their entire adult lives in the 21st century. They are the boys and girls and the young men and women who will provide the creativity, the leadership, the compassion, and the energy which will guide Saskatchewan's collective future.

We owe it to them and we owe it to our province to renew our commitment to Saskatchewan's public education system — a commitment where every student may experience a joy of learning that will sustain them throughout their lives. A commitment where every student experiences dignity and respect and learns to respect others throughout their lives. A commitment where every student's school experience may be enriched by important activities like 4-H, science fairs, sports, music, and drama.

A commitment where parent and community involvement helps to enrich and support the lives of our schools and our classrooms. A commitment where aboriginal students are welcomed, are valued, are engaged, and are successful. A commitment where our provincial education system continues to embody profound respect and mutual tolerance among rural, northern, and urban school boards and among our Catholic,



public, and francophone component.

And above all, Mr. Speaker, a commitment that our provincial education system, in our beautiful province, will continue to make the most powerful contribution to social life in a civilized democracy.

Mr. Speaker, I'm extremely proud of our government's 1998 budget. It is a balanced approach to public policy, it reduces further debt, it invests in people, and it gives us tax relief. It's with pride that I'll be voting for this budget, and I would encourage all members of the Legislative Assembly to join me in voting yes to the 1998-1999 provincial budget.

**Some Hon. Members:** Hear, hear!

**Mr. Osika:** — Thank you, Mr. Speaker. Mr. Speaker, it truly is always an honour and a privilege to stand in this Assembly as an elected member of this venerable institution and representing the good people from Melville constituency.

I could only imagine — and I still sometimes reflect back — as to how the member from Saskatoon Eastview must have felt when he got up for the last time and tendered his resignation. After some 11 years, to say goodbye to this institution, to his colleagues, close friends, Mr. Speaker, it must have been not unlike saying goodbye to family. He had served honourably, sincerely; dedicated his time on behalf of the people of Saskatchewan. He tendered his resignation with a great deal of difficulty but also with a great deal of dignity.

(1515)

Mr. Speaker, I would like to begin my text this afternoon by acknowledging your role, sir, and the diligence with which you carry out your responsibilities while the House is in session and beyond.

I appreciate, as do a lot of the young people in various schools throughout the province, that you were good enough to visit to discuss our precious democratic process. I continue to be impressed by some students' ongoing curiosity when they ask, who was that man in the funny-looking hat again? And I'm able to remind them the importance of the role that you play.

You hold, sir, our democratic institution in very high regard, and I want to publicly say once again that I share that very deep respect. My respects also to all the hard-working staff who make our life in this noble profession easier. I want to begin by acknowledging the hard-working people from throughout my great constituency of Melville and all of rural Saskatchewan who continue to persevere during these challenging times.

To everyone involved with economic development in rural and urban settings, I commend you for continuing in your efforts to promote communities, help small businesses to establish, and existing ones to continue to expand. And heaven only knows how much your initiative, your dedication are appreciated, given some of the lack of assistance from the present government.

Mr. Speaker, only a short few weeks ago the Liberal government in Ottawa introduced a balanced budget that will

provide hope for many areas and peoples of Canada. Mr. Speaker, we live in a province that produces enough wheat to feed 100 million people each and every year. This province is said to have enough potash reserves underneath that rich soil to meet world needs for the next 400 years. We live in a province that has assets above and below the land that give us an opportunity for present and future wealth that should be the envy of an entire world.

Mr. Speaker, I read carefully the throne speech and the budget speech presented to this Assembly. I am dismayed to find that these provincial documents provide no hope for rural Saskatchewan. I do appreciate that the financial mess inflicted on Saskatchewan and Canada by the old Tories required sacrifices that at times seemed very difficult to accept.

The NDP government of this province chose to balance the books by increased taxation rather than reduce spending in non-essential government areas. Taxes in this province are far too high. The NDP government chose to cripple the health care facilities provided in rural Saskatchewan. The NDP government chose to let our rural highways and transportation system, our road system, deteriorate to a very dangerous level.

This NDP government is led by a Premier who will close the Plains hospital even though over 100,000 residents of rural Saskatchewan have signed petitions opposing such waste. Adding to the General and Pasqua hospitals may save some city votes for the NDP in the inner city of Regina; however, the closure of the Plains hospital demanded by this Premier will destroy an important facility that was built in large part through efforts of people living in rural Saskatchewan. People in rural Saskatchewan will again pay an unfair price to resolve the financial mess created by the old Tories.

People living in rural communities will again pay an unfair price because the NDP made choices that reflect complete ignorance of the difficulties facing our rural friends. And the NDP back-benchers who represent those rural areas are not heard to speak out in this legislature.

Mr. Deputy Speaker, I want to congratulate Mr. Sinclair Harrison and SARM (Saskatchewan Association of Rural Municipalities) for their initiative in seeking the funds necessary to repair our rural road system. Years of neglect by the NDP government have left a situation that help from a federal Liberal government is necessary.

Mr. Deputy Speaker, I want Sinclair Harrison and all of the municipal authorities to know that the Saskatchewan Liberal Party will provide every possible support. The Saskatchewan Liberal Party knows and understands that the rural road situation is too critical to be resolved without attention by all levels of government. The Saskatchewan Liberal government will stand with SARM in seeking federal government assistance.

Mr. Deputy Speaker, your loyal Liberal opposition has continually brought to the attention of this Assembly the health care difficulties forced on rural communities by the NDP. And I am sick and tired, as are the people of this province, of the Premier dismissing serious health-related problems by resorting to a sanctimonious harangue about health contributions made

by the federal Liberal government.

Mr. Deputy Speaker, the NDP government closed hospitals and reduced the number of acute care beds before — before — the Liberal government was elected to office. The folks in rural Saskatchewan don't accept your answer, Mr. Premier.

Mr. Deputy Speaker, I want to remind this Assembly that it is the contributions that are made by the Liberal government that ensures all citizens of Canada have access to the finest universal health care program in the entire world.

Without such help, the Saskatchewan plan could not have lasted a decade if left totally to the NDP. It would not only have been born here but would die here also under the NDP.

**Some Hon. Members:** Hear, hear!

**Mr. Osika:** — Mr. Deputy Speaker, I understand that difficult choices had to be made to clean up the mess left by the old Tories. But the choices made by the NDP are destroying health care in rural Saskatchewan.

This afternoon I would just like to remind this Assembly of just a few of the wrong choices the NDP did make. It is not a happy story, Mr. Deputy Speaker.

Within days of taking over government in 1991, thousands, thousands of taxpayers' dollars were squandered to chase a pipedream of a former minister of Economic Development. Millions of taxpayers' dollars were offered to self-styled American industrialists to move Piper Aircraft from Florida to Saskatchewan. Thousands of dollars were wasted and not one job created in this province — a pipedream gone up in smoke, fuelled with taxpayers' money.

In 1992 SaskPower called for co-generation proposals to fill a projected shortage in future power supplies. Several proposals were presented at huge costs to the consulting industry, as well as a lot of community organizations.

Well the projected power shortage mysteriously disappeared and all the projects were scrapped. A proposal put together by South Parkland Rural Development association in Melville outlined the following benefits.

Some \$80 million private investment money from Calgary-based Rich Minerals. More than 300 jobs-plus as this development progressed. Communities within a 60-mile radius involved would have realized approximately a 90 per cent reduction in landfill site needs. Thirty per cent of the fuel for these generations would have been waste, Mr. Deputy Speaker, the balance made up by natural gas. Fourthly, major contributions to economic development in east-central Saskatchewan.

Well, Mr. Deputy Speaker, today a future power shortage has suddenly reappeared. Now the NDP government has signed a co-generation deal with the Husky Oil upgrader. I suspect that the price Husky paid for the government shares of the upgrader was based on the millions an Alberta company is now going to make from co-generation. The NDP government turned its back on Saskatchewan communities in favour of a deal with an

Alberta company. Another opportunity to invest in rural Saskatchewan rejected by this NDP government.

During 1997, Mr. Deputy Speaker, a proposal was presented from east-central Saskatchewan inviting Maple Leaf Foods to build a state-of-the-art meat processing plant in the area. The operation of the plant would have created in the vicinity of 2,200 — 2,200 — full-time, permanent jobs. The operation of the plant would have ensured our farmers a secure market for the sale of their livestock, an opportunity for local feed grain sales.

Brandon, Manitoba was selected as the site because the province of Manitoba supports the rural communities, supports their businesses, and supports rural economic development. Why could it not have been Saskatchewan you might ask? Could it be because of the resolution proposed at the NDP convention to support a boycott of this company which wanted to create 2,200 jobs here in this province? Why would they locate here, given the NDP made it crystal clear they were not wanted? With economic development policies like that, it is no wonder that our youth continue to leave our province, that we have no economic activities in rural Saskatchewan.

Mr. Deputy Speaker, the early mistakes of this government might have been forgiven if they had been able to learn and listen. Unfortunately that wasn't to be. In 1996 the NDP government began a sorry waste of millions of dollars. This time it was a botched attempt to purchase interest in an electrical utility in Guyana. The price tag of \$32 million would have opened a lot of hospital beds, and when the dust settles, Mr. Deputy Speaker, this province will have lost millions on a venture that should never have begun in the first place.

I'm disgusted when the Premier continues to defend such blatant waste of taxpayers' dollars. While SaskPower management and NDP cabinet ministers were flying around the world looking for opportunities to invest taxpayers' money, some strange things were happening here at home. SaskPower was busy setting up a subsidiary company to deal in natural gas reserves. Now it didn't seem to matter that another member of the Crown corporation family, SaskEnergy, thought that handling of the gas reserves came under their mandate.

However, when George Hill was president of SaskPower, he hired an Estevan friend, an executive of Manalta Coal, to work for SaskPower. With those credentials, Lawrence Portigal was somehow considered a natural to head up a new venture dealing with natural gas. After losing millions of dollars, it seemed only natural to put Lawrence Portigal in charge of selling Channel Lake quickly so that the losses could be hidden from public scrutiny. Might that Guyana fiasco have been some kind of smoke-screen, Mr. Deputy Speaker, to cloud some other very serious issues?

It appears, Mr. Deputy Speaker, that total losses of more than \$10 million will have to be borne by the taxpayers of Saskatchewan. More than \$10 million wasted and not one job created — not one new job.

The Deputy Premier then stands up in this House and says, we are sorry. But by the way, I have asked the Vice-Chair of SaskPower to decide if we should provide severance pay to the

guy I just fired. Well a thorough review will be conducted as well.

The next day we are told that J.R. Messer will be paid some \$300,000 severance pay. The J.R. of *Dallas* TV never had it so good, Mr. Deputy Speaker. I thought this government learned a lesson when George Hill of old Tory fame deposited \$1 million in trust to satisfy what he thought should be his severance.

If this government isn't somewhat on the stupid side, they are certainly slow learners, Mr. Deputy Speaker. Mr. Speaker, why should we think that that policy is so strange. We saw the fired president of STC (Saskatchewan Transportation Company) get a big severance pay and then a cushy appointment as vice-president of Liquor and Gaming Commission. After all, the province only lost \$750,000 when STC didn't send out invoices.

(1530)

Does anyone here remember an old Tory fiasco known as GigaText? I must say though, Mr. Deputy Speaker, that it is somewhat humorous when you listen to the new Tory official opposition debating with the government of the day about who mismanaged and squandered most of our hard-earned, taxpayers' dollars.

The most damning indictment of this NDP government may yet be the mishandling of the gaming industry. The secret dealings of the Regina casino will soon come to light. Perhaps, Mr. Deputy Speaker, sooner than later.

The tour bus company chosen by Casino Regina — without tender — as their exclusive tour operator has now been declared bankrupt and more millions have been lost by taxpayers of Saskatchewan. The VLT (video lottery terminal) situation is a serious concern to all of Saskatchewan and to rural Saskatchewan because, Mr. Deputy Speaker, over \$70 million, and counting, each and every year is taken from rural communities and deposited to the general funds of this province.

Prior to the VLT gambling opportunity, that \$70 million was available to communities for their recreation needs and local enhancements. Rural Saskatchewan should receive at least 50 per cent of the profits from the VLT revenues, for special community needs.

VLT gambling creates problems associated with addiction. The NDP must accept responsibility for the social ills created by their VLT and gambling programs. They must immediately launch a thorough review of the effects of gambling programs on the society of this province. They must fund effective programs to give hope to those people, unfortunate people, with addictions.

Mr. Deputy Speaker, in my first opportunity to address this Assembly I spoke about how unfortunate it was that the general public has become so cynical about politicians. I spoke of politicians who no longer enjoy voter trust because they had made promises that they never intended to keep. I talked about politicians who, by committing criminal offences, had almost completely destroyed public confidence in the electoral process.

I expressed sincere hope that such terrible breach of trust would never again bring dishonour to this Assembly.

Mr. Deputy Speaker, last July politics in this province became a national spectacle, once again, of gigantic political cynicism, when eight members of this Assembly chose to blatantly betray the voters of their constituencies. Eight members of this Assembly chose opportunism over integrity. There is no need for me to waste time today providing quotes that would prove their lack of truth, honesty, credibility or integrity. The public record is clear. Voters in their constituencies understand and feel that personal betrayal. They will deal with that betrayal during the next election campaign.

However, I want to go on record today to describe that betrayal as the single most despicable political act ever recorded in the history of this great province. Never before have so many people felt betrayed by so many elected officials. Those politicians acting without principle, searching only for personal power, will never again be trusted by the voters of this province.

The member from Kindersley candidly admitted that the voters of Saskatchewan would never again trust a Tory to be premier of this province, and I agree. But I have news for that member; the people of this province won't elect a new Tory either. Where the member from Kindersley and I obviously disagree is in my great respect for the intelligence of the Saskatchewan voters. I refuse to believe that the voters of this province will be impressed by a group of power-hungry turncoats masquerading under a new name.

The people of this province will understand that if it struts like a Tory, if it talks like a Tory, if it steals Reform policy and if it reports to Tory bagmen, then it is a Tory. Mr. Deputy Speaker, I can't believe that eight people who've just turned their backs on the people who elected them, now have the unmitigated gall to present member recall legislation to this Assembly. That action alone demonstrates beyond doubt a total lack of respect for the political intelligence of Saskatchewan people.

Mr. Deputy Speaker, I wonder if that great team builder from Melfort will consider doing an honourable thing — stand up in his place and tell this Assembly that under no circumstances will the party he now belongs to accept any money from the secret Tory trust fund of over three and a half million dollars.

The Provincial Auditor says it is ill-gotten, and the provincial returning officer says it was collected contrary to electoral law. That money legally belongs to the people of this province; it doesn't belong to this new Tory Party nor does it belong to some unnamed trustee.

As a show of solidarity, I challenge every member of the new party in this House to go on public record today in this Assembly and categorically reject any use of the secret Tory trust fund and demand its return to the taxpayers of Saskatchewan.

Mr. Deputy Speaker, I would like to know, who is Edgar Bergen? And in a few weeks we will know the results of the mail-in ballot by the new party members to choose the Charlie McCarthy who will be called the leader of the new Tory Party.

The member from Melfort-Tisdale called this a political pyramid scheme: buy one membership, sell 10 more, and cast 11 leadership votes.

Well, Mr. Deputy Speaker, until the trustees of the secret Tory trust fund are disclosed, we will never know the identity of Edgar Bergen. Tommy Douglas used to say, he who pays the piper calls the tune. Who pays the piper for the new Tory song sheet?

Mr. Deputy Speaker, nothing will ever emphasize the duplicity of the old Tories as much as their actions in this House during the past several days. The members of the new/old Tory Party should now reflect on their strategy and hang their heads in shame.

Let's just review the events of the past several weeks. Firstly, a motion to discuss Channel Lake transactions in Public Accounts Committee as presented by my Liberal friend and colleague, the member from North Battleford. Nine times the members from Melfort-Tisdale and Kelvington-Wadena — nine times — voted with the government to block the investigation. Why?

As public pressure mounted, the NDP agreed to support the motion for a review, complete with subpoena power. Jack Messer and Lawrie Portigal agreed to appear. The Chair of Public Accounts, the member from Kelvington-Wadena, shirks her sworn duty and refused to call a committee meeting.

The new/old Tories waste \$28,000 a day ringing bells. Before we have an opportunity to examine the available information, the new/old Tories want to spend a couple of million dollars on an inquiry that might not report until after the next election. Why, I wonder?

The NDP calls the Crown Corporations Committee to investigate Channel Lake. The Chair of that committee is a government member. Mr. Deputy Speaker, there are several questions that need to be answered. Why did the member from Kelvington-Wadena shirk her sworn duty and refuse to call a meeting of the Public Accounts Committee? Why did the member, why did the member refer to her own committee as a kangaroo court?

Mr. Deputy Speaker, if my memory serves me correctly, the last members of this Assembly to refer to it as a kangaroo court, were expelled. Is it just coincidence that both those former members were elected as Liberals and betrayed their supporters by jumping to the old Tories? We won't talk about where those two former members are now.

When will this deceit end? Do the new/old Tory members really believe that the media or the general public will accept a foolish exchange of backdated letters as proof that they were prepared to call a meeting of Public Accounts? When will the member from Kelvington-Wadena act with integrity and principle? The member from Kelvington-Wadena has demeaned every member in this House by calling Public Accounts a kangaroo court.

If she believes that to be true, she should resign as the Chair of that committee as a matter of principle. If she does not, if she does not believe her statement to be true, then apologize to this Assembly for that serious slur.

Mr. Deputy Speaker, the member from Kindersley is as much to blame for this mess as the Chair of the Public Accounts Committee. The general public sees through the antics of this member even though he has his seat mate so mesmerized.

The member stated that SPC (Saskatchewan Power Corporation) president, Jack Messer, et al., had been taken to the cleaners by Lawrie Portigal and DEML (Direct Energy Marketing Limited). The member stated that DEML had purchased Channel Lake at a \$5 million discount and then received a sweetheart deal for future gas purchases, of \$300 million. The member stands in this Assembly making those kinds of charges without any direct testimony. Why?

Who is Lawrie Portigal? Was he originally hired by the former old Tory president of SaskPower? Is this the same Lawrie Portigal that received . . . that he received a severance of \$350,000 from the old Tories? Is this the same Lawrie Portigal who the old Tories paid \$50,000 more a year to be vice-president of SPC than the NDP paid Jack Messer to be president?

Who are the past and present shareholders of DEML? Will that list include former old Tory bagmen? Will the list include old Tory Assembly members and senators? And will that list include prominent old Tory supporters?

Mr. Deputy Speaker, the new/old Tories tried to deny the Liberal opposition the opportunity to ask these tough questions. That may very well suggest, Mr. Deputy Speaker, that the new/old Tories are afraid of the skeletons that will be uncovered under proper Public Accounts Committee procedure.

Mr. Deputy Speaker, the public will hold the new/old Tories responsible should the Crown Corporations Committee prove to be less effective than the proper forum of Public Accounts. That forum has now been denied because the new Tories are afraid of the old Tories' sins. Who is Edgar Bergen and who is calling the shots?

Mr. Deputy Speaker, regardless of past mistakes, regardless of past mistakes, regardless of treacherous politicians, rural Saskatchewan needs the attention of this government. Rural Saskatchewan can't afford to take any more hits. Something has to be done to create economic activity outside of the cities of Saskatoon and Regina. All levels of government have to be brought to a table in a total team approach, to focus if our rural communities are going to survive and prosper into the next millennium.

Mr. Deputy Speaker, the safety of our citizens, which is the responsibility of our Justice department, is of utmost importance and an issue that has recently come to the attention of this Assembly, and suddenly the Justice department recognizes there is a need to have special police task forces. There's a need for more than that, Mr. Deputy Speaker.

(1545)

There is also a need, not for more beds for young offenders — there is a need for some meaningful programs for these young people who have stepped off the straight and narrow. There is a need to take them into a custody, into an environment where not

only do they recognize the need for some help that they desperately need, but programs which will teach them that there is a difference between right and wrong and that if they are in custodial premises then that is not the place that they would want to spend the rest of their lives, young and old.

Those are the kind of things we need from this government, not promises of more walls and more beds. We need some meaningful programs and the offer of facilities that do exist that this NDP government has refused to even consider which are already in place, and which would be ideal for the types of programs that young people are crying out for — crying out for.

Mr. Deputy Speaker, until rural Saskatchewan is recognized in this kind of a debate document, it is not possible for me or my colleagues to support it. Thank you.

**Some Hon. Members:** Hear, hear!

**Mr. D'Autremont:** — Thank you, Mr. Deputy Speaker. It's a pleasure to rise today to address the Assembly at the beginning of this session — I believe it's the second session of the twenty-third legislature — to rise on behalf of the people of the Cannington constituency, the constituency that I am very pleased to be able to represent on behalf of those good people who chose me to represent them.

The Cannington constituency, Mr. Deputy Speaker, is in the south-east corner of the province. It's mainly an agricultural area but has significant resources with oil and gas. And, Mr. Deputy Speaker, some of that oil and gas revenue, the accumulation of it, and the drilling that goes along with gathering that oil and gas, causes a great deal of problems in the area also.

And I listened carefully while the Minister of Highways was talking about her . . . in her address. And I listened carefully, Mr. Deputy Speaker, to see whether or not there was going to be any good news for the areas of this province where all of the heavy traffic related to the oil industries takes place.

And one of those areas, Mr. Deputy Speaker, is the Cannington constituency. And I listened carefully because our roads, Mr. Deputy Speaker, in that area take a real pounding from the heavy oil traffic, from the loads of oil that are hauled from the producing wells to the pipeline terminals to be shipped. And nowhere in her speech, Mr. Deputy Speaker, did I hear a single word saying that there was going to be any assistance to rebuild those road structures — to rebuild those road structures.

In fact I brought pictures into the Assembly here a year ago about Highway 361 where a semi-trailer truck was stuck in the middle of the highway on Highway 361. And yet the minister never said a word about providing any assistance in those roads.

And those are some of the things, Mr. Deputy Speaker, that fail in this particular budget speech. It does not provide the necessary infrastructure funds to keep that infrastructure in place for those areas of the province that are generating the income that this government is using to try and balance its books.

Roughly 50 per cent of the oil and gas money, Mr. Deputy

Speaker, comes out of Southey, Saskatchewan; Cannington, Estevan, Weyburn-Big Muddy, the Moosomin constituencies. Yet very, very little of that money is being returned to keep that infrastructure in place and that has to change, Mr. Deputy Speaker. That infrastructure has to be maintained if those industries are going to remain viable.

Mr. Deputy Speaker, talking about the oil and gas industry brings us to another gas industry that's been mentioned a time or two in this Assembly in the last couple of weeks. And that would be the Channel Lake Petroleum company, which was put in place, as we understand it, Mr. Speaker, in theory to produce, buy, and sell gas to SaskPower for the electrical generation systems within SaskPower.

But it seems that all of a sudden Channel Lake was doing more than just providing gas to SaskPower. They decided to get involved in a little gas arbitrage, of buying and selling gas.

Now that seems to have been a real problem because it wasn't under control. Or if it was under control, the ministers of the Crown opposite continue to claim that they knew nothing about it. There're innocent lambs, Mr. Deputy Speaker, being led to the slaughter by Jack Messer. Because obviously, Mr. Messer knew something about it because he was the head of Channel Lake Petroleum; was also the president of SaskPower Corporation.

Now the way the structure has been set up in this province is that a minister has been responsible for those Crowns such as SaskPower. So there was a minister opposite, Mr. Deputy Speaker, who was to be Jack Messer's boss. But yet supposedly, in this case, the boss knew nothing about what the employee was doing. So somebody, Mr. Deputy Speaker, has to be responsible for this.

Now obviously if the boss didn't know what he was . . . what the employee was doing, the boss was negligent in the performance of his duty. If the boss is negligent, then the people who own the company — because in this particular case the minister responsible does not own SaskPower — the people who have shares in that company should be able to fire him.

But they're hiding, Mr. Speaker, they're hiding and claiming ignorance. Even the Premier is claiming ignorance of this particular affair. In fact, when asked the questions, when asked the questions, he says, I don't remember.

I'd like to read a little article from the Saskatoon *Star-Phoenix* of today from Randy Burton, "Straight talk," because it talks about some of those things about "I don't remember." It's called "Great memory lapses in history."

Rock star David Bowie on his history of drug abuse: "I can't remember most of the '70s." U.S. President Ronald Reagan on whether he had any involvement in the Iran-contra arms for hostages deal, responded, "I can't recall." The Saskatchewan Premier on whether he stepped in to save SaskPower president Jack Messer's neck four years ago said, "I don't remember that."

So Mr. Randy Burton says:

Let's see now. Bowie was high most of the '70s. Reagan may have been suffering from Alzheimer's in the '80s. What's the Premier's excuse, if not political amnesia?

Seems that the members opposite are not particularly happy about Mr. Burton's comments. Perhaps it strikes a little too close to home. Perhaps it strikes what he writes in another area of his column where it says, "no place left to hide," talking about the NDP government. He says:

What's more, the government has been injured in a critical area, in the perception that the NDP is an effective manager of government.

That's what Mr. Burton has to say, and I believe that he's correct in that. That indeed while the members opposite have prided themselves on being effective managers of government, how they prided themselves on establishing a Gass Commission to review what the previous government had done, I wonder what future commissions like the Gass Commission will have to say about the management that the NDP Party has provided to this province for the last six and a half years.

We know what the people have to say. We know what the people have to say because the *Leader-Post* and the *Star-Phoenix* have done a poll to determine what the people have to say. And the people have to say that they don't believe that this government has done an effective job, that they believe that a public inquiry is the proper manner, the proper method to which to get the bottom of Channel Lake. Unfortunately the current government is more interested in not allowing that to happen rather than allowing it to happen.

Our colleagues to the left — and I have to say, Mr. Deputy Speaker, that they certainly are a long ways to the left — the Liberal Party . . . In fact is, they may very well be to the left of the NDP even. They believe that they can provide the proper opposition to the government, but it seems that the people at large don't agree with their assessment. In fact is, most Liberals who still claim to be Liberal and who say they may vote Liberal, don't believe that they are doing the proper job.

When asked which party has provided the most effective opposition to the government in the past six months, 42.8 or 9 per cent chose the Saskatchewan Party while only 29.5 per cent said it was the Liberals. I think that's a pretty telling statement, Mr. Speaker, a pretty telling statement.

When asked whether or not the people of the public approved of the stalling tactics — our billabuster that the Saskatchewan Party employed for a period of time — when asked whether they approved of that, Mr. Speaker, 48.3 per cent said yes they did, 48.3 per cent. Again, 50 per cent, roughly, of the people. Not of all the people, but of those who had heard about it and had formed an opinion, said they approved of it.

So, Mr. Speaker, I think those indicate that the government opposite is on the wrong track. And it certainly indicates that the Liberal members of this House are on the wrong track.

Again another article dealing with that very important issue, Channel Lake. And it needs to be discussed as part of the budget, Mr. Deputy Speaker, because the Crowns represent 40

per cent — 40 per cent — of the entire economic wealth generation of this province. And yet that 40 per cent is very, very difficult to find out what's going on behind the veil of government secrecy.

So that's why it needs to be discussed, Mr. Deputy Speaker. That 40 per cent should be contributing a lot more to the economy of Saskatchewan than it does. This year the government pulled a hundred million dollars, a hundred million dollars out of CIC (Crown Investments Corporation of Saskatchewan) for a roughly \$7 billion investment.

Now even if you went to the bank and deposited \$7 billion and drew a modest interest rate, let's say 5 per cent, you would generate \$350 million, Mr. Deputy Speaker. And yet the Crowns return to the province of Saskatchewan a hundred million and don't even pay any taxes at all. No property taxes to the towns and villages and cities in which their equipment is residing in. They do pay . . .

**An Hon. Member:** — Grants in lieu.

**Mr. D'Autremont:** — Oh, this member speaks up and says grants in lieu. Well the government had been promising \$12 million in grants in lieu, and what did they come up with? What did they come up with? What did they come up with? About 3 million — about 3 million. Couldn't even keep the promises they had made a year ago on that, Mr. Deputy Speaker. Couldn't even keep the promises they made a year ago.

It sort of reminds me of the promise that they made on the 911 proposal. The member from Indian Head-Wolseley was talking about the 911 proposal and how great that was going to be for all of Saskatchewan. Well it was about two years ago that they first made their announcement on the 911 proposal, and they were going to provide, at the same time as that was made, approximately a \$10 million contribution out of Liquor and Gaming to the municipalities for the funds that were raised in that area in those communities. Well it didn't happen; 911 got lost and so did the \$10 million.

(1600)

Last year the government comes back and says, well we didn't give you that \$10 million last year but what we're going to do is we're going to take that \$10 million and we're going to put it into the 911 program this year. Well that was last year. That was basically what they said. So what happened? Again the \$10 million disappeared and so did 911. Well I think what we need here, Mr. Deputy Speaker, is somebody to phone 911 and send out a rescue party for 911 because it keeps getting lost.

This government makes sure it keeps getting lost, but now what they're doing is they're siphoning another \$8.4 million out of the taxpayers' pockets with the promise that at some point in time we will have a 911 system. Well this is the third budget in a row they've announced 911. I wonder how many more years they're going to siphon money out of the pockets of Saskatchewan taxpayers before it actually becomes a reality.

Well as my colleague says, they'll only be able to do it for another year because that's how long this government is going to last. One more year and we'll be done with them.

Mr. Johnstone from the *Leader-Post* had another comment that he had to make and perhaps the member from Regina Victoria would be interested in this one. It says: "Sask. the banana republic of the North." And the member opposite is proud to be a banana republic. And what he says:

So which bogus review process is better? The NDP-dominated Crown corporation committee, or the NDP-dominated public accounts committee?

Either way, the government will be investigating itself, rather than the full, independent inquiry called for by the Saskatchewan Party, former SaskPower president Jack Messer and a large number of Saskatchewan taxpayers.

So you think World's Largest Banana Republic is too harsh, too unflattering to be the new licence plate slogan? (Well) How about Arkansas North?

In both cases, you have a predominately rural population and agriculture-based economy, run by self-perpetuating, almost incestuous government and business elite.

Well I think that cuts to the core of what the members opposite can describe themselves as. He goes on to relate a number of the different companies which he includes in those lists, but I won't bother mentioning them, Mr. Speaker; they know who they are and they were listed in the paper as such.

**An Hon. Member:** — We don't know who they are. Read them out.

**Mr. D'Autremont:** — Oh, the member opposite is one of those NDP members, Mr. Speaker, who has a problem with reading. Perhaps he was part of that SaskPower board that couldn't read the contract, Mr. Speaker. Perhaps the member from Regina Victoria was one of those who didn't read the contract . . . (inaudible interjection) . . . Well, Mr. Speaker, perhaps the member from Regina Victoria will join in this debate, because when the opportunity arose to read the contract to make the determination whether or not \$5.2 million was disappearing, going up in smoke, never to be seen again, out of the government coffers, the members opposite couldn't be bothered to read the contract.

Well, Mr. Deputy Speaker, one of our Liberal colleagues had a few comments to make here during his speech — that I would like to take the opportunity to respond to — when he was talking. And he talked about old Tory appointments. Well, Mr. Deputy Speaker, I would like to talk about the same thing — old Tory appointments. And to take a look at the member from Melville's political career.

See, Mr. Deputy Speaker, he was appointed or brought into Saskatchewan Crop Insurance by his good friend, Gerry Muirhead; and Gerry Muirhead, as you well know, was a minister in the Grant Devine Conservative government.

Now whether the member from Melville got his job by political appointment or not, I don't know. But the minister of the time in charge of Crop Insurance, Gerry Muirhead, was a very political minister, so he may have got it in that particular manner.

Then later in his career — the member seemed to move around a lot — he ran for the nomination under the Reform Party of Canada banner, which he proceeded to lose at that particular point in time. He later ran as the Liberal candidate for the Liberal Party in the constituency of Melville, which he won and now sits in this seat since 1995. So perhaps the member from Melville would describe what kind of political animal he is, whether he's a Conservative, a Reformer, or a Liberal member.

And while the member was talking about openness, he was talking about the PC metro trust fund. He was talking about how it needs to be opened up. Well while he was the leader the first time, because he's the leader the second time now, but when he was the leader the first time of the Liberal caucus, he, or perhaps the member from Shaunavon it was — Wood River now, it was Shaunavon at the time — said that the Liberal Party was an open party, that their books were open for anyone to see, their financial records.

So a staff member went over there to have a look at these books that the Liberal Party said were so open. So when the staff member arrived there and started talking to Emmet Reidy, who now, Mr. Deputy Speaker, is an NDP hack but who was a Liberal hack at that particular point in time — now he's working for the NDP — when he queried him about seeing these books that the Liberal leader had said were open, anybody could go and look at them, when he went and enquired about this, he was thrown out of the office.

It seems, Mr. Deputy Speaker, that the Liberal members in this House are prepared to say one thing and do something different when actually asked to follow through on those commitments.

I brought up an issue last week, Mr. Deputy Speaker, on health care, about the lady who had her gall bladder operation in the Plains hospital and was later that day discharged and who had to spend the night in the Howard Johnson Hotel. And it's a very tragic story, Mr. Speaker. No one should be put in that position of going through major surgery and immediately discharged from the hospital.

So I received a letter, Mr. Deputy Speaker . . .

**The Deputy Speaker:** — Order. Why is the member on her feet?

**Ms. Lorje:** — With leave, Mr. Deputy Speaker, to introduce guests.

Leave granted.

## INTRODUCTION OF GUESTS

**Ms. Lorje:** — Thank you, Mr. Deputy Speaker. I have many wonderful constituents in my riding of Saskatoon Southeast and many of them have made very major contributions to the public life in this province. One of the most famous of my constituents is present in your gallery, Mr. Deputy Speaker, and I would like all members to please give a warm and cordial welcome to Mr. Stirling McDowell.

**Hon. Members:** Hear, hear!

**SPECIAL ORDER**  
**ADJOURNED DEBATES**

**MOTION FOR COMMITTEE OF FINANCE**  
**(BUDGET DEBATE)**

**Mr. D'Autremont:** — Thank you, Mr. Deputy Speaker. I received a letter from the husband of the lady who was staying at the Howard Johnson health care clinic. So, Mr. Deputy Speaker, I would like to read that letter to you and to the members of this House so that they can gain an understanding of what the people of Saskatchewan are feeling and what is happening to them.

The letter is addressed to the Premier and to the Minister of Health:

Tonight I write to you on this Howard Johnson stationery from the hotel, room 504, in downtown Regina. My wife lays on the bed at this moment, uncomfortable and in pain because she had major surgery, gall bladder surgery, at about 10 a.m. today at the Plains Health Centre.

Originally she had been slated to stay in the hospital overnight to recover, be under observation for any possible complications, and to receive proper medication to facilitate her recovery. However, due to a lack of beds at the Plains Health Centre, nor were there any available at the Pasqua or General hospitals, she was told she would be discharged tonight at the latest possible time in the event a bed came open or her condition worsened.

Gentlemen, tonight my wife left the hospital doors hunched over in pain in a wheelchair, clutching her purse to her stomach for support of her raw stomach muscles. Only 12 hours previous she was just beginning gall bladder surgery. Not even half a day passed after surgery under general anesthetic and I had to take her out because there were no beds.

Her surgeon, Dr. Cuddington, would have preferred to keep her in overnight, but couldn't for two reasons: one, no beds were available in this city; two, it seems health ministry regulations require doctors to get patients out the door as soon as possible.

And I think that addresses clearly, Mr. Deputy Speaker, what the people of this province are feeling about the health care system, particularly the health care system in the city of Regina as it represents southern Saskatchewan.

The health minister says 675 beds are enough. He said that's what we have right now, 675 beds; that's what we'll have after the Plains hospital closes. But these people, Mr. Deputy Speaker, and many others across southern Saskatchewan say that 675 beds is clearly not enough.

So when the Minister of Post-Secondary Education strips all the hospital beds out of the Plains hospital and turns it into classrooms, where are the patients going to go? Where are they going to go, Mr. Deputy Speaker? To the Howard Johnson? Because that's the only places that they're going to receive care.

At least the people in the hotels are caring enough to look after these people, which is more than can be said for the Minister of Health.

Further in the letter, Mr. Speaker, Mr. Frith says:

Mr. Premier, Mr. Minister of Health: Today I sat in the waiting area by the admissions desk at the Plains Health Centre and I overheard distressing news. People were being turned away because of no beds at any hospital, not just the Plains, but at any hospital. At one point the Pasqua had five beds available but there were many people on the waiting-list to see who was most critical.

Triage I believe it's called, Mr. Deputy Speaker.

Now I ask you gentlemen, how do you justify the closure of a hospital with vital importance to the southern residents of this province? The three hospitals in Regina now can't accommodate the patient load. How do you expect only two slightly expanded units to accomplish the task.

Patient care is already suffering. How much worse must it get? Even with the expansions at the Pasqua and General hospitals there are reports there will be fewer beds than currently in the city now. Fewer beds for people like my wife who need proper post-operative care instead of, here — here's four pain killers in an envelope; don't lose it, or tough luck; take care, good luck, goodbye.

And the member from Weyburn-Big Muddy thinks that these people don't understand the health care system. No, Mr. Speaker, these people have experienced the health care system and clearly understand it. And it's members like the member opposite who don't understand what her government is doing to the people of Saskatchewan. She doesn't care.

Further in the letter it says:

"So here we are" . . . (inaudible interjection) . . . Oh, we just heard another one chirp up from Lloydminster . . . (inaudible interjection) . . . Another one speaks up. Again, a member says, you don't care. Well we do care, Madam Member, we do care. Because what you are doing to the people of Saskatchewan is not what they voted for you to do and it's not for what they voted for Tommy Douglas to do. You have forgotten. You have ignored and you do no longer respect what Tommy Douglas was trying to do for the people of this province. You're more concerned about making sure your political appointees like Jack Messer and Gordon Nystuen have good jobs, not that the people of Saskatchewan have proper health care.

(1615)

So Mr. Frith says:

So here we are in a hotel room. I'd never have been able to get in if my in-laws hadn't reserved and paid for it.

I've got a question for you. Why is this government doing such a dastardly deed to the taxpayers of this province? Why are you wasting \$90 million to add fewer beds to two hospitals in a not so easily accessed area of Regina and



spending at least \$20 million on shutting down the Plains Health Centre which is only 20 years old instead of spending only 65 or 70 million to renovate, modernize, and remove the health risk of the Plains Health Centre. Mr. Premier, Mr. Minister, why the colossal waste of taxpayers' dollars?

Well, Mr. Frith is right. The government didn't have any money available to upgrade the Plains Health Care Centre but all of a sudden they found \$30 million to turn it into a school. But they're still leaving the asbestos in there. I gather the asbestos is not safe for patients but it is safe for our young students.

Now perhaps the Minister of Health can explain how asbestos is safe for young people. I guess they're just not interested, Mr. Speaker. Whatever it takes to look good is the only thing they're interested.

Mr. Speaker, Mr. Frith goes on to say:

Ever since my wife, children, and myself have moved to this province in August, 1997, I've seen nothing but financial waste by you and your government.

You throw money around at different problems but you miss the mark on where it should be going. When that doesn't work, you initiate a surcharge, an administration fee, or a reconstruction fee. Oh, we're back to SaskPower again to recoup your losses. You can't run a business that way and survive; nor can you run a government that way and expect re-election.

Fiscal mismanagement — there's a word that the NDP used to use a lot. Well it's coming back, Mr. Speaker, with their name attached to it. Fiscal mismanagement — Channel Lake, the Guyana fiasco, the closure of the Plains Health Centre — by your government, Mr. Premier. And the closure of the Plains will be some of the major nails in the coffin of your government's demise.

Mr. Frith writes:

I promise you this, Mr. Premier, Mr. Minister of Health, unless the Saskatchewan NDP place a moratorium on the closure of the Plains Health Centre and make it an election issue, you will never have my vote or my wife's. Do the right thing, stop the closure of the Plains Health Centre.

Sheldon Frith, Redvers, Saskatchewan.

Well I think, Mr. Speaker, this letter clearly spells out the failings of this government when it comes to health care. When it comes to health care, Mr. Speaker, they're not particularly that people actually have access to health care. They're more interested in their buzz words like "wellness."

Well I've talked about a number of members in the House, Mr. Speaker. I listened when the member from Indian Head-Wolseley spoke and he had some interesting things to say . . .

**An Hon. Member:** — Well what was wrong with my speech. Wasn't it . . .

**Mr. D'Autremont:** — Well one of the other members chirps up, well what about my speech? Well his speech wasn't worth listening to, Mr. Speaker.

Mr. Speaker, the member from Indian Head-Wolseley . . . or Indian Head-Milestone, I guess, talked about his \$11 fees, the \$11 big game hunting fee and how great it is, how great it is, Mr. Speaker, that he's removing that fee. Well, Mr. Speaker, what would have been really great is if he hadn't put it on in the first place.

We, Mr. Speaker, we pointed out all the problems last year that were going to happen if he implemented this fee: that hunters weren't going to buy game licences; that people were going to be unhappy about this fee being tacked on them when others in society were not paying their share. And they were not prepared to make that sacrifice and give the government another \$11.

So we had a 15 per cent drop in hunting licences for white-tailed deer.

**An Hon. Member:** — Marvellous.

**Mr. D'Autremont:** — And what was the result of that? The member from Regina Dewdney says marvellous. We have more deer out there now eating farmers' grains and running into cars and costing SGI (Saskatchewan Government Insurance) more money. But the minister from Regina Dewdney is happy about that.

It's obvious that in his constituency he doesn't have a whole bunch of white-tailed deer running around getting in the road of his constituents' vehicles. You know, Victoria Park, Victoria Park, Mr. Speaker, is a large park in the city, one of the largest parks in a city, but I suspect, Mr. Speaker, that there isn't a single white-tailed deer in the park.

So the member from Regina Dewdney and his constituents don't have to fear running into one of those white-tailed deer as they drive around the city on their Sunday afternoons.

But if you live across rural Saskatchewan, Mr. Speaker, that is a critical danger. That is. Many people are injured and millions of dollars worth of vehicle damage and personal damage is caused by white-tailed deer.

And the member opposite doesn't care because it doesn't affect his constituents. Well it affects the constituents of every rural member. And every time the member from Regina Dewdney's constituents want to drive out to visit their grandparents out in the country — because, Mr. Speaker, there are no jobs out in rural Saskatchewan; they all have to move into the city — so the member in the Regina Dewdney's constituency when they drive back out to rural Saskatchewan to visit their grandparents, they're in danger, Mr. Speaker, of striking those white-tailed deer.

The other time, Mr. Speaker, that that member's constituents are in danger is when they pack up their belongings, Mr. Speaker, and head for Alberta. That's another time. But then perhaps the member thinks that a good time for them to run into deer, because then they can't get out of the province quite as quick. Because, again, the members opposite are not

particularly concerned about the people of Saskatchewan.

The member from Indian Head-Milestone . . .

**An Hon. Member:** — Isn't there an MLA that lives in B.C. (British Columbia)?

**Mr. D'Autremont:** — Yes, in fact, the member . . . my colleague is right — one of the members of this House has even moved to British Columbia; represents her constituency from Kelowna. You know, perhaps she had better watch those white-tailed deer as she's driving back and forth to B.C. because there's a lot of them out there. Once you get out to the west side of the province, there's mule deer to worry about, and they're even harder on vehicles.

**An Hon. Member:** — Who are you talking about?

**Mr. D'Autremont:** — Who am I talking about . . . (inaudible interjection) . . . Which member? Well it's one of the government members.

**The Speaker:** — Order, order. Now the Chair is much pleased to see the enthusiasm for debate that exists in the House, however, I recognize as well that all hon. members will, I'm sure, want to have their remarks put on the record when they make them so that they can be observed by the people of the province.

And I also will want to remind the hon. member for Cannington, as he well knows being a veteran member, that the appropriate way of debate in the House is to direct your comments through the Chair. And I'm sure that he'll want to pursue his debate with that kind of format.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. Thank you, Mr. Speaker. Again I want to comment on some of the comments made by the member from Indian Head-Milestone when he talked about Saskatchewan having the lowest taxes in Canada. And when he said that, I had to scratch my head and say, what are you talking about? What are you talking about? Saskatchewan?

The government tries to pull a fast one here. It says, you know, we'll lower the . . . yes, here it is. Saskatchewan income tax number two. That's number two in highest, not in lowest. The government opposite tried to pull a fast one in saying, well we're going to lower our income tax by one and a half per cent. Well what it meant, Mr. Speaker, is that they kept it at the same level as what they had previously in relationship to Manitoba and Alberta.

But we were still, Mr. Speaker . . . Before they lowered it, we were the highest income taxed province in Canada and now we have lowered it slightly. We haven't changed our relationship to Manitoba and Alberta, which are significantly lower than we are, but we're now lower than Newfoundland. And I guess that's something to be proud of — we're lower income taxed than Newfoundland.

**An Hon. Member:** — Not by much though.

**Mr. D'Autremont:** — Not by much, as my colleague says.

And perhaps it relates to the fact that we're both agrarian provinces. Newfoundland farms fish; Saskatchewan farms the land for grain. But at the end of the day, Mr. Speaker, and the government members seem to be proud of this — the Minister of Finance certainly was proud of it — that we're still a welfare state, that we're still getting \$300 million from the government.

The previous member who was the Finance minister, currently the House Leader for the government, didn't want our economy to improve too much because we would quit getting money from Ottawa, from the federal Liberal Party. She wanted us to stay a welfare state.

And the member from Saskatoon who's now currently the Finance minister has achieved that. He has achieved that, Mr. Speaker, because we went from a \$30 million, I believe it was, payment from Ottawa to a \$300 million payment. So he succeeded in ensuring that we remain on welfare. And I think, Mr. Deputy . . . Mr. Speaker — I don't want to demote you — Mr. Speaker, that that simply isn't good enough.

And you know, the members opposite know, that when we look at our neighbour to the west, when we look at our neighbours in Alberta, when we look at our families that are living in Alberta — our sons, daughters, brothers, cousins, nephews, nieces, grandparents, grandparents indeed because even the grandparents are leaving Saskatchewan, Mr. Speaker — they are succeeding much better than the people living in Saskatchewan. And the matter . . . Another member, the Minister of Education doesn't believe the grandparents are leaving for Alberta. They are, they are.

**An Hon. Member:** — Ray Howe, Ray Howe, vice-president of the Wheat Pool, where did he retire to?

**Mr. D'Autremont:** — Ray Howe moved to Lethbridge. There was a member here who just retired from SaskPower, Mr. Speaker. Makes a good living on his pension, but his wife is very meticulous. She keeps track of every nickel they spend, and she has for years. She has the records. So they have been living in Medicine Hat now for a few years. Again, keeping track of every nickel they spend, that he spends.

And Mr. Speaker, do you know what the conclusion they have come to is that they net — they net — \$10,000 a year better off in Alberta after paying their hospitalization fees, after paying for those humongous licences that the members opposite are always talking about. They net out \$10,000 a year better off living in Medicine Hat.

Well, Mr. Speaker, we simply can't continue that way. We simply can't continue that way. Those people, Mr. Speaker . . .

**The Speaker:** — Order, order. Order. Order. Order. I think the hon. member from Cannington doesn't need aid and assistance from his own colleagues. And the hon. members on the government side will want to pay attention, I'm sure, and enter into debate at the appropriate time.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. Mr. Speaker, thank you for intervening there because I haven't even gotten into my speech yet with all the interruptions.

So, Mr. Speaker, again about the member from Indian Head-Milestone discussions about the taxes, the level of taxation in this province. It's not just the income tax that you have to look at though, not just the income tax. Take a look at the cost we pay at SaskPower. The increases that we have had over the years. Under the good management of Jack Messer that the government keeps promoting, costs for SaskPower have gone up 25 per cent — 25 per cent for SaskPower alone.

SaskTel rates have gone up. SaskEnergy rates have gone up. And SGI (Saskatchewan Government Insurance), Mr. Speaker, SGI has gone up dramatically and the deductibles have . . .

**The Speaker:** — Order. Order. Order. I will ask all hon. members, I will ask all hon. members to come to order. Allow the debate to continue in an orderly kind of manner. And I would ask the hon. member's colleagues to allow him to be heard when he's entering into debate on the floor.

(1630)

**Mr. D'Autremont:** — Thank you, Mr. Speaker. One of the issues that the Minister of the Environment brought up was Tetra-Paks. Now this was quite awhile ago that the government opposite decided to start charging an environmental fee on Tetra-Paks. And I believe they were raising somewhere in the neighbourhood of 3 to \$4 million a year on these Tetra-Paks. But they were never, Mr. Minister, never providing any recycling for those Tetra-Paks.

So they probably collected roughly \$20 million since they started charging the environmental fee on Tetra-Paks. And finally, Mr. Speaker, finally they recognize that they have to start providing a service for this. Sort of reminds you of the 911 scenario where they're going to start charging us money for 911 but never providing the service.

Hopefully they'll provide that service within the four or five years. They'll have generated \$40 million and they should have enough money socked away by that time to actually, maybe, provide a little bit of service for that. But it seems to take them at least five or six years to get around to doing these things. Unfortunately in the case of this government, Mr. Speaker, they don't have four or five years to get 911 in place.

Well, Mr. Speaker, let's talk a little bit about some of the other areas that the budget has failed in, some of the areas that the government is making their projections about how good it's going to be for them in Saskatchewan when all of these fairy tales come true.

Because indeed, Mr. Speaker, they are fairy tales when you look at the unrealistic expectations and projections they have placed on the price of oil in generating roughly \$500 million for this province. The province last year in their budget said that their expectations for the average price of crude oil would be \$20. Well, Mr. Deputy Speaker, as we know, as this budget cycle ended, the price of oil was in the 13 to \$14 range — 13 to \$14. And it has come back a bit since then, Mr. Speaker. We're in about the \$15 range now.

But that's not what the government has projected. The government is using a figure of \$17.25 a barrel for oil. So

what's going to happen if that doesn't happen . . . (inaudible interjection) . . . Yes. The member opposite says, don't worry about what the oil prices are going to be, and one of my colleagues hollers . . .

**The Speaker:** — Order. Order.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. The member from Lloydminster doesn't believe that the price of oil actually has an impact on this budget. And I guess that perhaps explains why their numbers never seem to add up when it comes to those things. And she is supposed to be representing a constituency that produces the oil. That's where the upgrader is.

If that spread differential is not very good between medium and light crude, that upgrader that they've been bragging so much about — that actually was invested in by the previous government but they want to take the credit for it — if that spread differential isn't there, those taxes are not going to be collected, Mr. Speaker. They aren't going to have that revenue to finance this budget.

So I've got a report here, Mr. Speaker, from the Royal Bank that talks about that one year projection for more oil. And the Royal Bank's projection is \$16 average for the year — a dollar and a quarter less, a dollar and a quarter less, Mr. Speaker. So already we're going to see a significant decrease in the tax collected and royalties.

When that price drops, you also see something else. Two other things happen, Mr. Speaker. One, you don't get the oil companies bidding on the land sales, so again the government takes a loss there, and over the last few years, they've generated 2 to \$300 million on that area; that is going to decrease.

And the second thing that happens, which is even more serious, is that as the price of oil decreases, it becomes no longer economical to operate some of the wells and so the companies shut them in. When they break down, they simply do not fix them.

So not only then does the government lose their portion of the royalty, but you lose the labour that is needed to maintain that and the income taxes off of that. You lose the sales of SaskPower; you lose the sales of SaskEnergy; you lose the fuel sales necessary for the transportation system to carry that oil and to take the people there to do the work. So it's a multiple loss situation, Mr. Speaker, and this government is trying desperately to ignore it because their projections are way too high.

They needed to put those projections so high, Mr. Speaker, so that the member from Saskatoon who is the Finance minister could claim that he had a balanced budget. If that level of estimates for the oil prices had been at \$16, as recommended by the Royal Bank, I seriously doubt whether this budget would have been balanced.

It may have been balanced though, Mr. Speaker, if the government had siphoned some more money out of Liquor and Gaming because there is money there. There is money at Liquor and Gaming and they could have pulled more money out of that, Mr. Speaker. But what happens though, Mr. Speaker, if the

money out of Liquor and Gaming is used this year, then the government wouldn't have it available to use during an election year. An election year, money is very important to all of the members opposite.

The other thing that would happen if the oil prices have been listed at \$16, it would have meant we would have gotten more money — welfare money — from Ottawa because oil prices are written into the formula to determine how much grant is sent out by Ottawa.

One of the other areas, Mr. Speaker, where we don't see the performance matching the government's expectations is in the uranium royalties. The uranium prices have decreased, Mr. Speaker. The projection which . . . the government projected last November there would be \$18 million lower than they had forecast previously. Again the foundation on which this budget has been built, Mr. Speaker, has been very weak. It's built on sand and, Mr. Speaker, that sand is washing away.

The only area where the government seems to have made a projection that is into a rising market has been in the potash area. They collected \$35 million more last year than what they had projected. But this clearly does not offset, Mr. Speaker, the losses they suffered last year in oil and gas nor the potential losses that they stand to suffer this year if the prices of oil does not rise up to the 17-plus level that the government has been projecting.

The government did lower the royalty rates, Mr. Speaker, both on potash and on oil and gas. On the oil and gas level they lowered it only on new production, but it takes the revenues generated from the old production to pay for the new exploration and the new drilling. If those monies aren't available, then that doesn't happen, Mr. Speaker. Again, that is going to harm our economy. So while the government has lowered the rate, it's certainly been valuable but more needs to be done.

But there's one area there, Mr. Speaker, one area where the government failed to lower the rates and that was in the coal industry. Now we don't sell a lot of coal outside of Saskatchewan but we do sell some. So if the government lowered the royalty rate, we would take less revenues from the oil industry . . . from the coal industry's exports.

But the major consumer, Mr. Speaker, of coal in this province is SaskPower. The major consumer of coal in Saskatchewan is SaskPower. So when you have a high royalty rate, or you don't change the royalty rate in relationship to other minerals produced, including oil, only one person is paying that and that is the taxpayer of Saskatchewan when they pay their power bill.

Now, now what's been happening? The member from Rosetown says, well, that's Jack's idea. Well Jack did issue a complaint in that area. Because while he couldn't seem to get through to the government that there needs to be a lowering of the royalty rates, what he did do is he imported coal from Wyoming and said that the coal from Wyoming was more economical than the coal from Saskatchewan. And it's probably true. It's probably true.

But why is it true? It's true because of the royalty rates that we

charge in Saskatchewan, royalty rates charged by the Government of Saskatchewan on coal produced in Saskatchewan, sold to the Saskatchewan Power Corporation. Now if that's not an incestuous relationship, I don't know what is.

Because at the end of the day, the only person paying that royalty, that high royalty charge, is the taxpayer of Saskatchewan. Now the members opposite don't seem to be particularly concerned about the taxpayer, and we can certainly see that, Mr. Speaker, when they charged a billion dollars a year more in taxes since they've been in government — a billion dollars a year more since you've been in government. And that's what they're charging in taxes.

So, Mr. Speaker, they would rather, with SaskPower, export those jobs to Wyoming and Montana than give the taxpayers of Saskatchewan a break. So we have coal in Saskatchewan, we have the transportation method of getting the coal from the mines to the coal plants, we own the coal plants, but we would rather buy our coal from Wyoming because it's cheaper.

It's cheaper because of our royalty rates. It's cheaper because of our power rates . . .

**The Speaker:** — Order. Now I think all hon. members will want to allow the budget debate to proceed in an orderly manner. And I would ask for the cooperation from all hon. members, both the hon. member's own colleagues as well as members on the opposite side of the House. And I simply ask for the cooperation of the members.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. So we have a situation where the coal comes . . . the power company says we can't afford to buy coal from Saskatchewan producers because it's too expensive. It's too expensive because of the royalties; it's too expensive because of the electrical charges; it's too expensive because of the gas rates; it's too expensive because of the fuel taxes; it's too expensive because of WCB (Workers' Compensation Board) charges; it's too expensive because of the labour regulations in Saskatchewan.

All of those things have contributed to the cost of coal to the power companies in Saskatchewan. So unless this government opposite is prepared to deal with those costs, to lower their take to allow the Saskatchewan coal companies to continue selling coal to SaskPower, we will be losing the jobs, and Wyoming will be benefiting, Mr. Speaker. And the government and the Minister of Energy and Mines and the Finance minister have completely ignored the issue, Mr. Speaker, and do not want to deal with it.

Go back to the oil industry, Mr. Speaker. It's an industry I've had a little bit of experience with. I worked in the oil patch for 20-some years. And when we look at it, Mr. Speaker, we had 3,993 drilling licences issued last year and that is going to decrease dramatically. In fact, Mr. Speaker, the first three weeks of the new year, drilling licences were down by 24 per cent — 24 per cent, Mr. Speaker. According to Ross Barwick of Venables Machine Works in Saskatoon — a company that produces oil tanks, Mr. Speaker — his comments about the downturn in the oil industry was:

We were going full bore in 1997, and the first day of the first week in January we were asked to cut our production in half.

A 50 per cent reduction. So will this company be able to maintain their employment levels, Mr. Speaker? No they will not.

In February of this year, PanCanadian Petroleum — I worked at one time for PanCanadian Petroleum — they cut 200 jobs, 200 jobs in the Weyburn area. The member from Weyburn-Big Muddy, now what did she say to the Minister of Finance to see to it that these jobs stayed in Saskatchewan? I doubt she said a thing, not a thing, Mr. Speaker. Not a thing — because why wouldn't she say anything. She's so far back at the cabinet table she can't even see the Minister of Finance. Mr. Speaker . . .

(1645)

**The Speaker:** — Why is the member on her feet?

**Hon. Mrs. Teichrob:** — With leave, Mr. Speaker, to introduce guests.

Leave granted.

#### INTRODUCTION OF GUESTS

**Hon. Mrs. Teichrob:** — Thank you, Mr. Speaker. I'd like to introduce through you and to you to all of my quiet colleagues in the House, Don Taylor, in the Speaker's gallery, who is the director for division 1 for the Saskatchewan Association of Rural Municipalities, which we fondly know as SARM. And I'd like all the members to join me in welcoming him to the House today. Don.

**Hon. Members:** Hear, hear!

#### SPECIAL ORDER

#### ADJOURNED DEBATES

#### MOTION FOR COMMITTEE OF FINANCE (BUDGET DEBATE)

**Mr. D'Autremont:** — Thank you, Mr. Speaker. Well, Mr. Speaker, this government is very dependent on resource royalties, and while they have made a small step in the right direction on those royalties, they have missed some major areas such as coal, and the royalty changes they have made in the oil and gas industry in a downturn are not going to be significant enough, I believe, to have a major impact.

I had the opportunity two weekends ago, Mr. Speaker, to attend a conference in Calgary, and while we were there we talked to a number of people in the oil industry and we asked them, at the present oil level, what are the future prospects for the oil industry on the short term — we're talking one year or so — in western Canada, particularly in Saskatchewan? And their response was that if the price of oil drops any lower, there will be major shut-downs.

One of the people we were talking to said that over the past

three or four years the major executives in that corporation had always had their doors open in their offices. They were never closed. And the last two weeks those doors have been closed the full time. There was lots of meetings going on and they were making the decisions as to who was going to stay on working and who wasn't. So if the prices increase, Mr. Speaker, those jobs, most of those jobs, will continue. But if the price of oil drops, those jobs will be gone and the oil industry will dramatically reduce its levels in Saskatchewan.

And just as an aside, Mr. Speaker, the conference that we were at in Calgary was dealing with property rights, and I know that's something that the government opposite doesn't want to talk about. But one of those issues that was raised at that conference was the gun control issue, which this government has supported, the fight against the gun control, but which seems to have died down in their estimates, which seem to have gone no place — it's at court — and we don't hear anything out of the government at all any more on that particular issue.

The other area, Mr. Speaker, that dealt with . . . one of the other areas that was dealt with in that conference was the grain issues, on whether or not farmers actually own their own grain. Because the courts have determined that if you grow wheat, you grow durum, if you grow barley, then you don't own it. You can seed it, you can cultivate it, you can spray it, you can pay all the expenses, but at the end of the day, Mr. Speaker, the farmer does not own those grains. And there was a court decision made on that.

And in fact the Saskatchewan Wheat Pool was involved in a court decision. They had all of this grain on hand in their elevators and they tried to do some inventory adjustment for tax purposes to say that there had been some shrinkages, therefore they had some economic losses that could be written off on the taxes.

Well the Canadian Wheat Board said no, you don't own that grain. It belongs to the Canadian Wheat Board. You cannot make any adjustments for income tax purposes.

So now we find out who does own the grain. Ralph Goodale, as the minister responsible for the Canadian Wheat Board, perhaps he owns it. And the Minister of Agriculture for Saskatchewan supports him in that particular view — that that grain is owned by the Canadian Wheat Board, not by the farmer that grew it, cared for it, stored it, or hauled it, but strictly owned by the Canadian Wheat Board.

So, Mr. Speaker, that was a little bit about the conference I attended in Calgary.

Well, Mr. Speaker, one of the things that this government has been doing this year has been covering up its losses in those revenue-generation areas, because of the drop in oil, by drawing heavily on the Crowns.

I can remember sitting at Crown Corporations, which is meeting this week, but over the last six years sitting in Crown Corporations and the government kept saying no, we don't have a formula for paying out revenues from CIC from the Crowns, but our goal is to pay \$50 million a year. And that's basically what they've been paying over the last year — \$50 million a

year.

All of a sudden this year, Mr. Speaker, they draw \$100 million out. And why did they draw \$100 million out of the Crowns? Because the resource revenues did not pay them what their projections were. They projected \$20 million last year, didn't make it. They projected seventeen and a quarter this year, Mr. Speaker, and they're not going to make it. They're going to have to draw again on the Crowns and on Liquor and Gaming.

When the previous administration was doing those very similar things, drawing down the Crowns, the members opposite criticized them and described it as a shell game that weakened the competitive positions of the Crowns. That's how they described it. They described it as a shell game which weakened the competitive position of the Crowns.

Well, Mr. Speaker, we have similar concerns, but for different reasons, for different reasons. They're drawing heavily from the Crown reserves, which lowers their value for any potential privatization. It lowers the economic value of those Crowns.

I remember a report a couple of years ago where when asked what was the value of SaskTel, what was the value of SaskTel, and they said well, it ranges somewhere from 700 to \$900 million. Well if you're making an evaluation . . . If I have to do an assessment on my farm, the tax man wants to know what it is. He doesn't want me to say, well it's between 70 and 90, you know. No, he wants to know. But the government didn't want to provide that kind of information, Mr. Speaker, because they didn't want to be held to that. And now they're diminishing those values by drawing them down, Mr. Speaker.

Well, anyways, Mr. Speaker, this government is running on borrowed time and they will soon run out of those particular monies to prop up their failing economic forecasting and their failing economic engines.

I'd like to deal with another portfolio, Mr. Speaker, that I have the privilege of being the critic for, and that is the Environment — the Environment, Mr. Speaker. And there's no doubt that as part of the reaction to diminishing . . . (inaudible interjection) . . . Yes the member from Rosetown did indeed have that up, and every service station owner in this province fears the name of the member from Rosetown.

Mr. Speaker, the government is proposing to nearly double its royalties from forest products. They're doubling their take from the forest industry at a time, Mr. Speaker, again when the revenues in that industry do not mandate that those kind of resources be drawn from them. They're going from 3.8 million to \$7 million, Mr. Speaker — \$7 million.

Now they passed some legislation two years ago about the forest industry which has still not yet been implemented. But why, Mr. Speaker? Why haven't they implemented this? Because the public . . .

**The Speaker:** — Now hon. members I think will all recognize that the House is getting a tad disorderly here, and I would ask for the cooperation of all members. There's no need to be shouting — order — there's no need to be shouting across the floor to one another. And it is getting very difficult for the Chair

to be able to hear the hon. member's for Cannington's remarks in debate. And I'll ask for the cooperation of the House, from all members of the House.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. One of the environmental concerns which arose in my own constituency and in the member from Moosomin's constituency this past winter and Christmas time was action dealing with wolves — was a major problem in the area, Mr. Speaker. A number of farmers were losing animals. One farmer lost a \$25,000 elk, he lost a number of horses and a number of cattle and a number of that person's neighbours were also losing animals.

And it was a great deal of difficulty . . . It was only with a great deal of difficulty, Mr. Speaker, that the department for the environment, SERM (Saskatchewan Environment and Resource Management), was prepared to deal with that. They dragged their feet for a considerable period of time before anything happened, Mr. Speaker. Fortunately there eventually was some remedial action taken place that provided some relief.

But the government needs to implement a policy on dealing with wolves, Mr. Speaker, and I didn't hear that any place. And I specifically didn't hear it when the minister for the Environment spoke, because he was quite familiar with this particular incident; it was close to his area, Mr. Speaker.

So that's another area in which there needs to be some action taken, because we are getting into a situation where there are excess wolf populations in particular areas. They are harmful to trapping, to hunters, to outfitters, farmers, and people in the logging industry.

It affects people, Mr. Speaker. The safety — just the very safety of people in rural Saskatchewan. One of the people in the affected area, Mr. Speaker, phoned me up and said they went outside one particular morning after a fresh snowfall and there were tracks of three wolves walking right through the yard, right in the area where their children — their young children, ages about 6 to 10 — walked out to the road to school. And there were wolves between their gate and their house sometime during the night. And this was causing a great deal of concern, Mr. Speaker, for those people in the area.

So, Mr. Speaker, that's the problem that came out of the area of Kennedy. Now I have some more words that I'm sure the members opposite are waiting with bated breath to hear. I will forego the opportunity this evening to do that but will commence up to their adulation tomorrow afternoon. So at the present time, Mr. Speaker, I would move that this debate be adjourned.

Debate adjourned.

**Mr. Kowalsky:** — Mr. Speaker, I assure the member that we will be waiting with bated breath for further remarks from the member from Souris-Cannington, but until that time comes, I now move that the House do adjourn.

The Assembly adjourned at 4:57 p.m.

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