

EVENING SITTING

COMMITTEE OF THE WHOLE

**Bill No. 29 — The Workers' Compensation  
Amendment Act, 1998**

**Hon. Mr. Mitchell:** — I was answering questions from the minister . . . or from the member from Saskatoon-Greystone, and my understanding was that she had completed her questioning and I my answering.

**Mr. Toth:** — Thank you, Mr. Chair. Mr. Minister, just a couple of questions because something in the area I want to deal with . . . we probably can get more into it in Labour. But in the Bill before us, we're talking about . . . you're talking about a benefit of doubt clause. And as I understand it, that the benefit-of-the-doubt I believe is between the employee and the employer. Is that correct?

**Hon. Mr. Mitchell:** — The benefit-of-the-doubt applies to a valid claim or not a valid claim. Whether the board will pay compensation or not pay compensation. And the idea is when the evidence is evenly divided; the board will pay the compensation.

**Mr. Toth:** — So what you're saying then is actually the benefit of doubt comes into play right with the board itself. And if there's information that you're weighing back and forth and it appears that it — I think you used the words — evenly divided then the benefit will go to the injured worker. That's what you're saying.

Well, Mr. Minister, it seems to me, from what I've been saying and certainly the claims that have been coming to me . . . and my colleague from Kindersley raised a couple of questions earlier this afternoon in regards to how a lot of people perceive the board and the fact that in many cases — and you had a bit of debate at that time with my colleague — in regards to how the board views medical evidence that may come, whether it's from the general practitioner or the family physician.

And when the family physician has referred an individual to a specialist that they are quite comfortable with to deal with a certain issue — that information seems to just get all sidetracked as the board would then refer to a specialist that they may have, they have more confidence in. And a letter I received — and unfortunately I misplaced it, Mr. Minister — was sent to my attention, came from actually a minister who had accompanied a parishioner to one of these visits. And the letter just expressed complete disgust in the way the physician handled . . . how the individual was treated. It was like there was just a total lack of respect for the worker and the problems he was facing.

And it seems to me, Mr. Minister, we need a different mechanism of addressing this. And whether or not it can be handled through legislation, I think, Mr. Minister, when it comes to Workers' Compensation or any other agency, I think we need to find another mechanism of appeal. And what I mean by that is I think we need an appeal process that has individuals who are not directly tied to business or even workers —

specifically not directly put in place by a group like the Workers' Compensation Board.

As I understand it, the board has an appeal process but that mechanism is basically internal and so many people come to me and they're saying at the end of the day, well I just felt I didn't really get a hearing at all. And here I am, I'm told now that I'm 50 per cent; I can go . . . In fact, I just had, during the supper recess, a gentleman come to me who was basically told he can now do 50 per cent or part-time work. Well where do you find work, part-time work with an employer? Which employer is going to give you four hours a day and pay you for that four hours, knowing that they're going to have to hire somebody else? So, Mr. Minister, I guess my question to you is: is there another way of setting up an appeal mechanism — and would it need to be done through legislation — that would really create an impartial group of individuals that could review a claim?

**Hon. Mr. Mitchell:** — It is possible and it in fact has been tried in other jurisdictions. We have always rejected the idea. It's often been considered over many years. And the reason why we rejected it is that to create this appeal body that's independent of the board, you are really setting up quite an expensive mechanism. You are setting up a mechanism where lawyers gravitate, representing claimants and the board and the employer.

They tried it in Ontario and it turned out to be a very, very expensive thing. It couldn't handle all the . . . you know it got the backlog, and there were delays. And the lawyers — I say this as a lawyer — really had a field day. And the mechanism just didn't work but it did give people an appeal mechanism outside the board.

We have been searching to my knowledge for 25 years for a better appeal mechanism than the one we have, because it would appear to be more fair. But we're not able to think of it; we're not able to come up with it.

Right now we have at least the advantage of the board itself, the three-member board, being the court of last resort. And they are not the administrators of the Act — one is a worker representative, one's an employer representative, and then the Chair who is neutral. And they turn around a lot of cases; they allow a lot of appeals. But I know the public perception is that they are part of the board mechanism, so it's not really fair. We don't want to go to an Ontario kind of situation where it just becomes a very bureaucratic, expensive, much-delayed process.

But it's a good question and one that I think we mustn't stop thinking about. Somewhere there's a model of appeal that would appear to be more fair.

**Mr. Toth:** — Well, Mr. Minister, thank you. Mr. Chair, Mr. Minister, just one further comment because I know other members want to raise some questions as well.

I think, Mr. Minister, you mention Ontario. I agree with you; we don't want to build another layer that just becomes another administrative body that injured workers become frustrated in dealing with. But I think we need to look, certainly sit down and see if we can find a mechanism that really is seen as more

impartial in really reviewing the matters, that isn't directly linked to any one of the groups that may be involved, like your employers or the injured workers. I know that's going to be very difficult because pretty well everything you're involved in, you're going to be tied in in some fashion or another.

But I think it's important because at the end of the day, whether Ontario's . . . the legal profession finds it . . . has found it to be a heyday for them, I think the only other recourse in this province as well is, after appeal, is possibly to go to court. Which becomes very expensive for an injured worker to try and to justify . . . and the process and the paperwork involved.

So it doesn't matter how you cut it, the legal profession still ends up having to deal with a number of cases, and arguing it. And for the injured worker it's another delay in trying to have their claim assessed.

So with that in mind, I wanted to raise a couple of questions here knowing we can deal with it even a little further in Labour estimates, and I thank you.

**Mr. Hillson:** — Thank you, Mr. Chairman, and Mr. Minister, and officials of your department. May I ask, when was the last time the maximum wage rate was increased for WCB (Workers' Compensation Board) benefits?

**Hon. Mr. Mitchell:** — I'm advised that the maximum is \$48,000 and that it was set in 1985-86.

**Mr. Hillson:** — Mr. Chairman, 1985 seems to be some time ago now. Is there a need to review that?

**Hon. Mr. Mitchell:** — Mr. Chair, and to the member, the committee of review looked at this question and recommended that it be reviewed. We discussed the matter with the Workers' Compensation Board and they felt that the level was still appropriate, strange as it may seem, and encompasses the vast majority of claims.

And there is very little, if any pressure to raise that limit. So apparently it's still a valid operating figure.

**Mr. Hillson:** — I understand the amount of benefits paid out to injured workers have actually decreased since 1995. I wonder if that's correct?

**Hon. Mr. Mitchell:** — I believe that's correct. We don't have those numbers with us; I should explain why we don't. The board itself reports to the Crown Corporations Committee, and indeed in some respects, to the Public Accounts Committee. So that's normally where they provide this information, and we don't have it with us tonight. But I will say to the member that I understand that the total amount of benefits has decreased.

**Mr. Hillson:** — I also understand, Mr. Minister, that the cost to the administration of the WCB has risen rather dramatically since 1991. In fact it's doubled since 1991, and I wonder if you would advise whether or not that information is correct.

**Hon. Mr. Mitchell:** — I have to say, Mr. Chair, that I don't know whether that figure is correct, but I know it has increased.

**Mr. Hillson:** — Well if it is in fact correct that the cost of administration has gone from 50 million to 29 million at a time when benefits to injured workers have not increased, in fact maybe even have declined. I wonder if you can provide any insight as to why that would be the case?

**Hon. Mr. Mitchell:** — I can undertake to provide that information to the member, Mr. Chair, when I've had an opportunity to consult with the board.

**Mr. Hillson:** — Can the minister advise if there are any ongoing plans to get costs of administration in WCB under control, and does the minister think that this is a problem area?

We all know that for the last several years we have lived under regime of severe fiscal restraint when we are told that there isn't money for this, that, and the other need in the province. A doubling of the cost of administration of WCB seems out of line with what's going on in all other sectors. So unless there are some special circumstances of which I'm not aware, this seems to be seriously out of sync with what's happening in say Education and Health and roads.

**Hon. Mr. Mitchell:** — Mr. Chair, I can understand the member's concern. I will undertake to provide as much information as I can on that score. And I'm afraid that's about all I can say tonight.

**Mr. Hillson:** — I understand, Mr. Deputy Chair, that the British Columbia Court of Appeal has recently expressed the opinion that it is illogical to provide medical practitioners with immunity from lawsuit under the WCB.

And I want to ask you first of all, what do you see as the justification for depriving injured workers of the normal rights that any other patient has, and whether this is under review? I think you're aware that it's been recommended that there is no reason for WCB patients to have less rights than any other patients. And yet we don't see this in the legislation.

**Hon. Mr. Mitchell:** — I said earlier this afternoon to my friend, the member from Kindersley, that we are not totally comfortable with that, we have been reviewing it. It's my advice that the matter is before the courts, probably in review of the decision that you're referring to although I haven't seen the documentation. And we're not finished with that issue yet. We weren't in a position to deal with it in this particular set of amendments.

The board's rationale appears to be that the doctors are employers also and are entitled to the benefit of the Act.

I have some trouble with that. I haven't read the British Columbia Court of Appeal decision that you refer to but I'd be pleased if you'd give me the citation later on and it'll assist us in our review.

**Mr. Hillson:** — I wonder if the minister could . . . I know the member for Kindersley also raised this. I wonder if you could discuss at more length the situation where an injury may have more than one cause — and I think it's already been mentioned to you — say lung problems which may have some work-related causes and some non-work-related causes. What's

the situation with those people?

**Hon. Mr. Mitchell:** — Mr. Chair, I'm advised that the board is alive to the issue of complicating factors. The example that we used this afternoon was a smoker who worked in a grain elevator, and that's a pretty good example. I don't know . . . I'm not speaking now of a specific case because I don't have knowledge of a specific case but let's just hypothetically discuss that situation.

The board may find that the condition of the worker was partly caused by the grain dust and partly caused by smoke, by inhalation. And the board may well take that into account, have the jurisdiction to take that into account, and in fact do take similar analogous situations into account. And they reduce the level of compensation by an amount that reflects its judgement as to the degree of fault or the degree of causation from the two sources.

**Mr. Hillson:** — Now I understand our Supreme Court has expressed the view that mental disabilities and mental illness ought not to be placed on any different footing than physical disabilities and physical injuries. And I wonder what your comment is on that and what your view is on that in regards to the legislation.

**Hon. Mr. Mitchell:** — In order for any condition to be compensable, it is necessary for the board to find that it is an injury within the meaning of the Act, and if the particular mental disability that you referred to falls within that definition, then it is compensable. If it is a result of or if it arises in the course of or in connection with the employment of an employee, then it is compensable.

**Mr. Hillson:** — So, for example, you were saying if the stress can be related to the workplace as opposed to non-workplace, there would be no discrimination.

**Hon. Mr. Mitchell:** — That's right. If your mental condition is as a result of work-related stress, the board will compensate. If it's partly a result of stress, the board will compensate partly. And they have been doing that, they tell me, for . . . they began doing that more than 20 years ago.

Clause 1 agreed to.

Clauses 2 to 14 inclusive agreed to.

**Hon. Mr. Mitchell:** — Mr. Chair, I'll do that in a moment, but first I'd like to thank my officials for the considerable amount of advice that they gave me in the consideration of this Bill. And I will move that we report the Bill without amendment and ask for leave to sit again.

**Mr. Boyd:** — Mr. Chairman, we would want to, on behalf of the opposition, thank the minister and his officials for being able to provide answers this afternoon and this evening to the piece of legislation.

**Mr. Hillson:** — Both myself and the member for Thunder Creek, the same applies to our caucus.

The committee agreed to report the Bill.

### THIRD READINGS

#### Bill No. 59 — The Jury Act, 1998/ Loi de 1998 sur le jury

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

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

#### Bill No. 60 — The Wildlife Act, 1998/ Loi de 1998 sur la faune

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

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

#### Bill No. 61 — The Alcohol and Gaming Regulation Amendment Act, 1998 (No. 2)/ Loi n° 2 de 1998 modifiant la Loi de 1997 sur la réglementation des boissons alcoolisées et des jeux de hasard

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

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

#### Bill No. 62 — The Highway Traffic Amendment Act, 1998 (No. 2)/

#### Loi n° 2 de 1998 modifiant le Code de la route de 1996

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

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

#### Bill No. 58 — The Adoption Act, 1998/ Loi de 1998 sur l'adoption

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

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

#### Bill No. 29 — The Workers' Compensation Amendment Act, 1998

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

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

### COMMITTEE OF FINANCE

#### General Revenue Fund

**Labour  
Vote 20**

**The Deputy Chair:** — I will remind members that the Minister of Labour was last before this committee on April 23. I'll invite the minister to reintroduce his officials.

**Hon. Mr. Mitchell:** — Thank you, Mr. Chair. I have with me tonight to assist the committee Cheryl Hanson, who is the assistant deputy minister; Sharon Little, the manager of budget and operations seated behind Cheryl; John Boyd, the director of planning and policy seated behind me.

And at the back of the room, Eric Greene, who is the assistant director of labour standards; Fayek Kelada who is the director of health and safety services; Doug Forseth, a labour relations analyst; and Dawn McGibben, the director of human resources and administration.

**Subvote (LA01)**

**Mr. Boyd:** — Thank you, Mr. Chairman, Mr. Minister, and welcome to your officials this evening. There are two, basically two areas of interest to us that we want to discuss with you and your department: the CCTA (Crown Construction Tendering Agreement) and the Workers' Comp Board.

The CCTA, as you know, has been a contentious issue right from its inception here in Saskatchewan. Your government is of the view that — I really don't know what view you have — that it should be there I suppose. No one can figure out why, but it is there. And people on the other side of it, people wanting fair tendering in Saskatchewan are of the view that we should have contractors of union . . . or non-union should have opportunity to bid on government projects.

At this point, there doesn't seem to be any view that you're going to change that position, although I hear some cracks are starting to develop and there's a few ministers that are starting to make some . . . say a few things to some of the business community. One would expect, in anticipation of a general election next spring, you're trying to bring back a little bit of that lost support in that business community.

It appears that some of your ministers right up to and including the Premier's seat mate is starting to call on businesses and asking them what would be helpful in terms of re-election. And we understand that this area, the CCTA, is under review now and is something that you may be considering giving up in . . . one would assume, re-election decisions. Or is there some other overriding reason or have you and your government finally come to their senses with respect to tendering here in the province of Saskatchewan. I fail to understand the logic of why you would want to restrict tendering on government-related projects. Surely in this day and age a government has to demonstrate and be fair to all — in terms of opportunities to be a part of tendering on government projects.

The NDP (New Democratic Party) have always prided themselves on being the saviours in terms of free opportunity and all of those kinds of things, putting themselves up on this pedestal and suggesting to everyone that they're going to level the playing field out — whether it's in economics, whether it's

in health, whether it's in education, whether it's in agriculture, or what have you.

But in this area, when it comes to an area that the government has some control over — and most of those other areas in terms of the economy you have very little control over — and we recognize that, and it's probably a good thing. The fact of the matter is in an area where you do have control; you seem to not want to assume the responsibility of levelling the playing field. And levelling the playing field — what I'm talking about is allowing opportunity for all to tender on a government project.

Now we realize that there has to be standards in terms of these kinds of things — that the people who tender on these projects have to be capable of doing the work and all of those kinds of things. But those are achieved; those kinds of concerns can be addressed by the tendering process, which is very, very open in all areas.

It's become a pretty standard practice in the business community, a fair tendering program. And I don't hear, other than the CCTA, I don't hear concerns in other areas in the business community about tendering on projects. Everyone realizes you put your bid in — you put your best foot forward in terms of offering the service or the goods on the project — you do all of those kinds of things using the best available products, the best of everything the project calls for. There's always those kinds of standards in terms of what materials are going to be used, what kind of project time frames — all of those things are very, very standard in the business community now.

And yet we see in an area of this — a significant area of construction in Saskatchewan — the Crown construction tendering process still in place in spite of overwhelming opposition from people across this province. It is one area that you universally, no matter where I've gone in Saskatchewan, when you explain the Crown Construction Tendering Agreement to an individual, they have this immediate sense that something is unfair about this. And I would like, Mr. Minister, if you would share with us and the people of Saskatchewan what kind of twisted logic you developed to come up with this scheme.

**Hon. Mr. Mitchell:** — Mr. Chair, I want to tell the member that I'm pleased that he's raised the subject of the CCTA tonight, and I'll tell you why. It hasn't always been my favourite subject over the nearly two years that I've been in this position, but it's a story that is winding its way towards a conclusion.

The construction industry situation in this province has always been complicated for one reason or another, but during the late 1980s and the 1990s it has been especially complicated by three factors. The first factor is that the bargaining structure, particularly on the employer's side, is a real mess. Under The Construction Industry Labour Relations Act, we have a situation where the union contractors are bargaining in respect of all of the union contractors. And that hasn't worked because they have excluded from membership anyone who runs a spin-off company.

So you may have a situation like you have with many of the big contractors where they have a union company and a spin-off

company which is not unionized, and it's caused huge stresses within the employer community.

It has . . . In some trades it has become virtually impossible for them to conclude a collective agreement at all because the pure union contractors negotiated through the Construction Labour Relations Association, but the people who are entitled to bid on it are people who are not pure contractors. Everybody gets the right to bid on it, or to vote on it I should say, to vote on it. And they come in and vote the settlement down, send the people back to the table, and they bargain again. And it is not working and everybody knows it's not working. So that's one problem.

The second problem of much longer standing is the idea of the spin-off companies. I won't take the time of the House tonight to talk about spin-off companies, but let me . . . because I've done that before. Let me summarize it by saying it's an absolutely abhorrent idea, completely inconsistent with the principles of collective bargaining that have been in effect all across this country since at least the Second World War. The idea that an employer can create another corporation and simply decide that no longer will he operate with the union, irrespective of the history and the law, is a nonsensical idea and has to be done away with. So that's the second problem.

And the third problem was the CCTA. And the CCTA was reluctantly brought into effect, negotiated and brought into effect, in order to throw a lifeline to the construction unions in this province, because they were rapidly going down the drain. And for a number of very sound reasons, we did not want the building trades' unions to disappear from the scene in this province; they're too important.

One reason they're important is their participation in the apprenticeship program. And without their participation in the apprenticeship program, we'd be pretty hard-pressed in this province to produce apprentices and journeypersons in a number of trades. So that was an important factor that weighed upon our consideration of the subject.

We also believe that collective bargaining is a very satisfactory — probably the best way of determining wages and working conditions in any industry — and especially in the construction industry where the building trades in this country, on this continent, have been active for a very long time. And we did not want Saskatchewan to stand out as “the” place where construction unions were trampled into the ground to the point where they became extinct, and we were on the way to that happening.

Now the member looks doubtful, but I tell you that the concept of a spin-off company was just wiping out unions, was just absolutely depriving them of work. And the CCTA was intended to be a bit of a lifeline to them, so that some government-type construction would be done using union labour.

We believed in that; we wanted that; and it was a lifeline that by and large worked. There was never a very large amount of money involved, but it did keep the unions going until at least the work situation improved. And that is the case now. The work situation has improved. A number of the union contractors have done very well and have kept the business going.

Now what to do about all that I ask myself? And about a year ago now I met with the Saskatchewan Construction Association and I put it to them in these terms: if you can solve the structure problem on the employer side of the table, that is between the Saskatchewan Construction Association and its counsel and the Construction Labour Relations Association, and come up with a structure that works there, if you do that . . . You have to do it yourself. If we can be of any help tell us and we will, but that's your decision.

Secondly, if you can agree with the building trades on some way to resolve the spin-off company situation, then we will withdraw the CCTA. For the last year we have worked very intensely with the . . . particularly with the employer side, but also with the union side, in moving those ideas along.

And I'm pleased to say tonight that we have reached the point where I think we have agreement from all sides that these things will happen; that the structure of employer bargaining will be reshaped in a way that's satisfactory to all of the employers; that the spin-off situation will be reviewed together with a view to bringing that under some kind of logical regime. And then we will set aside the CCTA.

And then we would have an industry like we have in other provinces — like we used to have in this province — that governs itself and its labour relations with some kind of common sense and logic.

**Mr. Boyd:** — Well thank you, Mr. Minister. That's the first good news I've heard coming out of you in several years — that finally you've woken up to the fact that there is a cause and effect to what you do.

When you do something there is always an effect on the other side. And there is always a situation where the people on the other side of the situation start looking at it and realize themselves that if they're going to stay in business in this province, they have to make some changes, have to do some things that will make their business and continue to make their business profitable in the future.

I take great concern when we hear a minister of a Crown in this province stand up and say that they wanted to throw a lifeline out to a certain sector. Because, Mr. Minister, that came at a cost. That came at a cost. That came at a cost to taxpayers here in this province. That came at a cost to . . . And I heard the Justice minister say what about farmers.

Well the difference . . . (inaudible interjection) . . . That's what he said. And I'm sure the farm community would be very interested in those comments. And perhaps some time this evening we'd hope that he'd be perhaps willing to elaborate on those comments a little bit because I certainly feel that the farm community would have great concern about those kind of comments.

The farm community that I know has never asked for anything from this government but to get out of the way — but to get out of the way, get of the way in terms of a whole range of things. Be a lot better off. And so would the contractors in this province, Mr. Minister, if you people would just get out of the way, I think generally speaking things work pretty well.

The Crown Construction Tendering Agreement cost the taxpayers of this province money. It costs the people of this province tax dollars. There was really no other justification for it other than you felt that there was something you wanted to offer the unionized support base that you have electorally. There is very little other justification for it — very, very little other justification for it.

And I'm not surprised that it's a subject that you are happy to see come to a conclusion because I think you know that it was unfair. I think you know that it was biased in terms of the contractors that were unionized in Saskatchewan and I think you know that it was wrong. And I'm glad to see that you're making some changes in this.

I want to explore this a little bit more, Mr. Minister. Could you provide us with a list and give us the costs of all contracts awarded by Crown corporations pursuant to the Crown Construction Tendering Agreement in the last fiscal year?

It would be interesting . . . It would be a very interesting experiment here in Saskatchewan if you just simply allowed non-unionized contractors to bid on those and see . . . I know it's darn difficult to put a tab on it, to figure out the costs of it, but it would be very interesting if we ran a few of those contracts passed some non-unionized contractors here in this province to see what it indeed cost.

We have all kinds of examples or all kinds of examples in other provinces of projects and the difference in costs and all of those kinds of things. There's a different . . . various range of estimates here in Saskatchewan from a few million to tens of millions of dollars here in Saskatchewan. I don't know where the range is.

All I know is that this government should have never been involved in that kind of thing right from the very outset. I think we would have had a healthier construction association, construction companies here in Saskatchewan. We would have had a better climate for business development here in Saskatchewan. We would have had a construction community that had more confidence in your administration than they do presently, and we would have had probably more construction. We would have had a better climate. We would have had a better relationship with this government and everything, I think, would have worked out a lot better for the people of Saskatchewan.

It's cost a lot of money. It's cost a lot of money and it should have been something you never, ever contemplated.

It goes back to that old roots that you have of somehow or another thinking that the government always knows what's better for the people of Saskatchewan than they know what's good for themselves, or what's good for contractors. I'm hoping at this point in time your administration will have grown to the point where they realize that maybe you don't know everything. Maybe you don't have all of the answers.

If you'd have listened to the people in the industry right from the very outset, Mr. Minister, they told you it was wrong. They believed that you were headed in the wrong direction, and I couldn't agree with them more. Have you that list of contracts

from the Crown Construction Tendering Agreement?

**Hon. Mr. Mitchell:** — Mr. Chair, I don't have that kind of information with me but it is information that we can obtain, and we will obtain it and send it to you. It may take several days or even weeks to get it together from all of the Crowns, but we will do so and provide it to you.

I want to say that the idea of union-only contracting is not unique to this government since we were elected in 1991. You will know perfectly well that the construction of the NewGrade Upgrader — which was a multi-million, maybe multi-billion-dollar project — was declared to be a union job by the Devine government. And every piece of that construction project was done by union contractors employing union-only labour. So this is not something that we've just manufactured during the term of this government. It's a long-standing idea in this province.

And practically all of the large construction in this province since the time that the Diefenbaker dam was built back in 1960 has been done by union contractors. During the Thatcher years, that was the case; it was the case during the Blakeney years; and it was the case during the Devine years. So this is not something that we just made up.

The member is perfectly right, Mr. Chair, when he talks about cause and effect. And that's the case in the construction industry in particular. And the cause of so much of this upset, the root cause, was the idea that was spawned in the early '80s, that you could set up a spin-off company and escape the consequences of a certification by the Labour Relations Board and escape a collective agreement.

And that was allowed, for some reason that I'll never understand, it was allowed and nothing was done about it. And we took a crack at this in 1992 when we reintroduced the construction labour relations Act. But we didn't do the job properly because we didn't take care of all the spin-off companies that were then in existence. We caught any new ones that came along but we didn't catch the old ones. And the old ones have continued to be there, continued to operate, and continued to be a major problem.

Now as a result of that, you had the division on the employers' side of the bargaining relationships — and I've already talked about that — and you had what we considered to be the necessity for an instrument like the CCTA to ensure that collective bargaining in the construction industry in this province didn't completely collapse and disappear. We were not prepared to see that happen. Besides, there were many policy reasons why it made sense that the construction industries would continue in existence and continue to perform many of the functions that they have performed.

There are hills and valleys in the construction industry, and one of its curses is that the parties take advantage of their position. If you're in the power position and the other guy is in the valley, as it were, in a weak position, then they just pound the devil out of them. And when you reverse the position, then you pound back. So when the unions have got the strength, they bargain tough and get big wage increases and when the employer's got the strength, then they take advantage of that

opportunity as well. What we require so badly in this industry to achieve stability is to forget about the hills and valleys and treat each other fairly and with a long-term view in mind.

**Mr. Boyd:** — Well I would agree very much, Mr. Chairman, and Mr. Minister, with that kind of assessment. There are peaks and valleys and I like to think that . . . you probably wouldn't agree, but I think you're headed for the valley in this area, politically speaking. We'll leave it at that.

I want to just . . . I had a whole range of questions on these because I for the life of me never expected that you would come around on this subject as soon as you have. But, Mr. Minister, I want you to give the official opposition and the contractors and everyone in Saskatchewan that's concerned about the Crown Construction Tendering Agreement some kind of assurance and time frame as to when we are expecting an announcement that this thing is over with. Now you raise your hands like that, and that concerns me because you are one of the ministers in this administration that has a habit of dragging your feet in many, many areas — and workers' compensation is a pretty prime example of that.

And I know that there's an expectation that you may not be running again in the next provincial election, but I think if I were you, I'd want to go out in a blaze of glory, and this would be a good opportunity to do it.

Mr. Minister, can you provide us with a time frame as to when you'll be making an announcement for the people of Saskatchewan with respect to the Crown Construction Tendering Agreement? Not holding your hands up and saying maybe, soon, you know that kind of stuff, we want something a little more definite than that.

**Hon. Mr. Mitchell:** — Mr. Chair, this kind of a presentation could make me run again I'll tell you. So say that one more time. I want to say to the member that it is very likely to be sooner than you think, very likely to be sooner than you think.

A lot of very dedicated people have been spending a lot of time on this issue. People on the employers' side of the table in particular have been spending a lot of time with each other and with the department and representatives of the department in working through these issues. The building trades have been right there ready to participate and agreeing to the various steps that have been discussed on the employers' side.

I have a high degree of optimism, but it's not up to me. All the pieces have to fall into place. They look like they're about to fall into place. And if they do, it may happen sooner than you would expect. I mean like . . .

**An Hon. Member:** — Days?

**Hon. Mr. Mitchell:** — Could be days, could be days. I'll tell you why it could be days.

There is a court case that's been adjourned till January 8. There's a proceeding before the Labour Relations Board that is also returnable in — not January, June 8 — a proceeding before the Labour Relations Board that is returnable about the same time. And they want to get these things resolved before those

dates come along. And we're certainly doing all we can to help them make those agreements and come to those conclusions, at which time we pull our CCTA as well.

**Mr. Boyd:** — Thank you, Mr. Minister. We would welcome the opportunity for you to enter the next election campaign. You're always been a very formidable opponent, and we would miss your presence in a general election to say the least.

Mr. Minister, I'm pleased to hear that you're moving in this direction and have been working in this direction. We will be there to say hallelujah when you do make the announcement.

You'll probably have to extend us the liberty of taking a few well-placed political shots because you deserve them on this subject, and we're not going to restrict ourselves in that area. But we will be there to say congratulations on a job well done of finally getting rid of something you never should have started with in the first place. So I think we've probably concluded our questions on the CCTA, Mr. Minister, and we'll move on to the other area of discussion that I wanted to raise with you this evening and that was with workers' compensation.

We discussed a little bit this afternoon the whole area of workers' compensation and the concerns that people have brought forward to our attention on an all-too-frequent basis it seems. As I said earlier this afternoon that fully I think 50 per cent of the concerns that go through my office — and I expect many members find the same thing — are workers' compensation related. And that should be of great concern to you, Mr. Minister, and to your department, that there are that many people that are unhappy with the operations of your department and the Workers' Compensation Board.

I can't help but believe you must be tired, tired of having to listen to another workers' compensation related concern brought to your attention because it's ongoing. It's continuous, and there seems to be no end in sight given the fact that your government is not willing to move on the issues that are before a lot of people, that are of concern to a lot of people in this area.

Mr. Minister, as I said this afternoon, we're not going to bring specific cases forward because I think that's perhaps inappropriate in this Assembly when you're dealing with something as personal, in many cases, as a workers' compensation related situation. What I will say though, and what I've given people that have contacted us over the past number of months, is that we will endeavour to write our concerns to your office directly with respect to the workers' compensation specific case situations.

But I just want to say, Mr. Minister, that what we see on an ongoing basis now is long-standing complaints, some of them dating back decades that haven't been addressed, and I'm sure you'll get up and say, yes well what about you. Well, yes well, what about me? I wasn't there, and you know darn well I wasn't there, so let's try and dispense, let's try and . . . (inaudible interjection) . . . well you can point your fingers all you like. I don't recall the member from Moosomin ever sitting on treasury benches or being in a position that you occupy today, sir. So let's not get into this tiresome game of wanting to point your finger over here because there was nobody over here that

sits in the same chair that you sit in.

Mr. Minister, there are long-standing complaints, some dating back 30 years. I had a gentleman talk to me the other day about a 30-year-old complaint where he seems to not be able to get any kind of satisfaction. The Blue Rose Advocacy group held demonstrations down on the front lawn here. They were there for several days, talking about their concerns. I think you . . . I hope you did; I'm not sure you did. I think you addressed them. I believe you did. And again it was one of those same sorts of speeches that we've heard all too often from you, Mr. Minister. Well maybe, eventually, soon, some day — you know that kind of thing.

And that's what concerns them, Mr. Minister. At times I wonder whether you ever have given a direct answer to a question. It doesn't seem like it. I've been here seven years now and I can't recall . . . you have on occasion in question period got up and said yes or no; that is true. But mostly it was a very facetious response to a very good question, generally speaking.

But anyway we won't get into that right now. But, Mr. Minister, the concerns go back a long time. The concerns go back a long time in many cases. The Blue Rose Advocacy group has told us what they would like to see set up, and I think my colleague talked about it a little bit this evening, was an appeal mechanism.

I don't see a whole lot wrong with having some lay people . . . we don't have to get into this bunch of lawyers kind of stuff that you're too often wanting to allow as an excuse for yourself. I think there is opportunity to have some people from an organization like that, a representative from labour, a representative from the business community. It doesn't have to be these wieldy bureaucracies that you guys always seem to want to say are going to result.

(2000)

Just an opportunity for people to have their say, an opportunity to go before an appeal mechanism and appeal on a very straightforward basis and say, I don't think my case was handled appropriately. And I think that's all they're asking for is that opportunity to have their say before what they consider a fairly impartial group. I don't think that's too much to ask for. I don't see the difficulty or the huge cost that would result from those kinds of situations. When you turn them down, if you're going to turn them down at the end of the day, I think at least they would feel they've had a fair hearing.

But I think Workers' Comp related concerns . . . I think they're a little bit tired of having to trot them through our office and then down to your office to try and get some sort of satisfaction. It isn't working all that well. We've brought up concerns in health in terms of Ombudsman. We have the Ombudsman, we have child advocates, we have a Workers' Advocate, although the Workers' Advocate doesn't have much power in this area.

This might be a good opportunity again for you, Mr. Minister, in the twilight of your career, to do something for the workers of this province in terms of setting up something of this nature that could be seen as a last-ditch appeal mechanism that would provide them with at least some assurance that their concerns

have been heard. As I said, at the end of the day, if you turn them down, I would be in support of a committee that had that kind of authority to say yes or no in terms of advancing their claim forward or denying their claim. And I think that's what these people have been asking for — an independent committee. I invite your comments.

**Hon. Mr. Mitchell:** — This is a very difficult issue, Mr. Chair, and one that I discussed earlier this evening with the member from Moosomin. It is an idea that's been around for a long time and I have been involved in discussions on this subject over and over again over the years, going back perhaps 23, 24 years that I have been involved in these questions in one way or another.

I have visited Ontario and been briefed on the way in which their appeal mechanism operated, and saw a very unpleasant situation which I certainly don't think we want to get involved in, where there was a bureaucracy and a formality to proceedings that would not accomplish what the member wants to accomplish at all. That's one point I want to make.

At the same time, I want to repeat, as I said to the member from Moosomin, that we're open to ideas on this because there is a perception that the member has given voice to that the existing mechanism is not fair; it does not appear to be fair, and so it is a problem.

We are not changing it in this legislation because frankly we don't know what to change it to. We don't know of a successful model on which we could pattern ourselves.

We have, with the board as it is now structured, three people who are people of considerable reputation in their communities . . . employer representative, the worker representative are people of a very solid, very high reputation. And I couldn't imagine that we could get fairer people to sit and listen to these cases. And the chair, Stan Cameron, is known to most of us, and known to be a fair, sensible, practical, common-sense kind of person.

But the problem is, of course, that they are in a legal sense the Workers' Compensation Board. They are the three members of that board and the whole structure of the board operates underneath them, and therefore claimants — people who have not been successful, and who come to your offices and my offices and those of all my colleagues — feel that that the appeal mechanism is not fair because it is just the board hearing appeals from itself. And I recognize that's a problem, and it's not one to which I know the answer.

If you're going to create, if you're going to create a body like an appeal body, you are creating an administrative tribunal. You're creating a tribunal that has to operate within the rules of natural justice and all the other rules that apply to administrative tribunals. You can't have a body that has that kind of power that could escape being classified as an administrative tribunal.

So it is a big deal no matter how you structure it. It is a body whose decisions will be subject to court review, just as the Workers' Compensation Board is now subject to court review, that has to operate within its jurisdiction and operate according to the rules of natural justice or they will, you know, they . . .



So that throws on them the obligation to be relatively formal in their processes. And what we fear is that we create another level of bureaucracy. That is one, if Ontario is any example, is a playground for lawyers and a slow, much delayed process, that is the cause of as much dissatisfaction as the board itself.

Now I don't think that's a very effective model. There may be other, better models around of which I'm not aware, and I'd like to know what they are. Because I do recognize that the member from Kindersley raises a point that's raised again and again with us and that is that the perception is wrong, the perception is wrong. And as long as that's the case, then the perception is, in many respects, the reality.

**Mr. Boyd:** — I agree, Mr. Minister, Mr. Chair, that that is the perception. And I also agree that that needs to be addressed. It needs to be addressed so people feel that . . . people should feel that when there is justice that needs to be addressed, at the very least government should be the one setting the example rather than being the example in these areas.

Mr. Minister, this as I said continues to be a concern for many people across this province; it continues to be a problem.

I will certainly want to say that we'll take you and your department at your word that you are working in this area to provide a mechanism to address those long-standing concerns and the concerns that continue to come forward with respect to the Workers' Compensation Board.

It appears to be one of those areas of your government that people don't have a great deal of confidence in. One of those areas that — as our colleague from North Battleford has raised about the administrative costs — one of those kinds of things that come forward when they see less and less benefits being paid out and they see administrative costs doubling in a few short years. It causes them to really wonder about the operations of a government department like Workers' Compensation.

So, Mr. Minister, we will endeavour to provide you with information that has come forward from people across this province on a specific case-by-case basis. I would ask you and your department to please provide us with as full an explanation as you and your department can as to why these claims have been denied. And perhaps it might be a good opportunity for you and your department to review these situations — these long-standing situations — and give some reflection on how we can address these situations better in the future.

We mentioned . . . I certainly appreciate your comments with respect to these situations being open to court interpretation if you have some sort of an appeal mechanism put in place. But I think the opposition at least is certainly willing to help and assist in this area, to try and come up with a mechanism that will address these concerns. At a time of need — probably the highest need that you'll ever experience, suffering a work-related incident — is a time when government should be there rather than not be there for the people of this province.

So I would ask you, Mr. Minister, to undertake that. And we have some questions in one more area and I just want your response prior to that.

**Hon. Mr. Mitchell:** — We, as I indicated, are concerned about these things and they will remain under study by the Department of Labour and the Workers' Compensation Board. I want to just say that this is a kind of a hobby-horse of sorts. That's not the proper term, but a whipping boy. We used to do it in opposition. We'd say the volume of cases going through our office is higher than they've ever being. They said that back in the '70s and I recall it very, very well. They're saying it in the '90s from across the . . . I said it in the '80s because the volume in the '80s was very, very high.

But I want to say this though; the board is working and working well. Over 94 per cent, about 94 per cent of the claims, are processed and paid without any quarrel at all. The rehab is working better now than ever before. People are returning to work earlier than before because the board really tries to place them in employment, with their employer, with reduced duties as early as possible. And that is a matter that I discussed this afternoon.

I think it's a very successful program, and it's popular pretty well all the way around — including the injured people who are able to get back to where they want to go, namely to their workplace, where they can rejoin their work mates and feel like they're re-entering life rather than just sitting at home, waiting for some day to come when they're pronounced fit to return to their original job.

There are a lot of reasons why we should be proud of this board. But in any case there are 6 per cent whose claims are denied. And there are people who don't feel they've been fairly treated. And they will go eventually to their MLA (Member of the Legislative Assembly) now as they did in the '80s, as they did in the '70s, as they probably did in the '60s and '50s. And that's just one of the functions we have to perform.

But let's not forget that this board, by and large over the years, has served this province very, very well. It is the most fiscally sound board in the whole of Canada. The Workers' Compensation Board in Ontario has a debt, has a debt that exceeds that of the province of Saskatchewan, the Government of Saskatchewan.

Well, our board is not in a debt situation. It's in a solid financial situation. And we should be very grateful for that and some of the other things that I mentioned.

**Mr. Boyd:** — Thank you, Mr. Minister. We appreciate your comments in that area. Mr. Minister, the last issue, the last area of concern that I wanted to raise with you this evening was the whole concern that has come forward in the last while respecting disenfranchised widows and widowers here in the province of Saskatchewan.

As the minister knows, many disenfranchised widows who lost their husbands in work-related accidents and remarried prior to 1985, have been cut off of all Workers' Compensation pension benefits that they were receiving prior to remarriage.

Mr. Minister, you've been looking at this for some period of time I understand. I'm wanting to see some — I think that they are, as well — wanting to see some progress in this area. We've had some promises of action. We've had you, on a number of

occasions in the House here, talking about some things near and approaching a decision time.

What kind of a time frame are we looking at in terms of this decision, Mr. Minister, and do you expect that we are looking for something that will satisfy their needs in this area?

(2015)

**Hon. Mr. Mitchell:** — I don't know, Mr. Chair, how to answer that last question. The problem here is the cost. There are 302 people, we think, that we're able to find files on that fall into the category that the member mentions. And they're scattered across the country, as you'd expect. And the costs involved are huge, shocking, and that's the reason why we're having to take some time with respect to this decision.

I just want to take a moment, Mr. Chair, to outline this, although I touched on it with the member from Saskatoon Greystone just before the dinner hour. But she has been pressing for retroactive payment to the date they were cut off, with interest. And we haven't even bothered to calculate how much that is — that is just right off the map.

But we have calculated, with the assistance of an actuary, the amount of money that would be involved in reinstating benefits to April 1, 1985, which is when the legislation was changed and removed the business about losing your entitlement if you remarried. And the cost of that to the board would be about \$74 million. You can imagine the figure just shocked me, but that is the actuarial analysis of how much that would cost — \$74 million.

The board, of course, is very reluctant; doesn't have that kind of money lying around loose and are very reluctant to lay off that cost on today's employers. The government is not in a position to pay out \$74 million in a situation like this. We have lots of demands on any loose money that the government has, as you know, because you make a lot of them.

And we have also considered — and this is a shocking number too — what would happen if we simply reinstated the benefits now, without any retroactivity . . . just today. The cost of that is about \$40 million. You fund those allowances, fund those benefits in accordance with the principles that the board has followed for decades — since ever — and for the life expectancy of the people who are receiving them.

Now I was as shocked as I can see the member from Canora-Pelly is shocked at those numbers. But they're not mine. They're produced by the actuary and they are the reason why it is taking the government some time to decide what to do. There's every reason to be sympathetic to the people who are involved. Many of them had very difficult lives; many of them are in need now and they deserve our sympathy. But the cost of doing what they would have us do, or the cost of doing just a fraction of what they would have us do, is very, very large. And that's the reason why the government has been taking a while to deal with this decision and will take a while longer. I can't predict how much longer. I've been saying two weeks for weeks and weeks now. So I'll say it again if that's of any use but I can't promise that we will have a decision within two weeks.

**Mr. Boyd:** — Mr. Minister, we have received four calls already this evening from people that were watching your responses to the member from Greystone here earlier today, and they have a lot of trouble believing what you're saying. The fact of the matter is, is they know of 45 people — not 302 people — they know of 45 people in the province of Saskatchewan. And if you have a list of those, they'd be very interested in seeing that list so that they can verify, I think, what you're talking about because they have no knowledge of 302 people whatsoever. And it sounds like they've done a fair bit of investigation in this area to try and find people that are in similar circumstances.

If we take your low number, \$40 million, and divide it into the 302 people, it's a \$130,000 apiece. Can you explain how you come up with that kind of number in terms of this sort of situation in the workers . . . I don't understand how you've arrived at those figures because I suspect they'd be quite happy at 130,000 bucks.

**Hon. Mr. Mitchell:** — These are actuary figures, Mr. Chair, that are based on the following principle. When the board sets up an allowance, and we're talking here about a benefit that will be payable to the beneficiary for the normal life expectancy of that beneficiary, the board funds . . . the board sets aside funds to fund that allowance during that period of time. And the principles by which they do this are well-known among the actuaries and every board does it and must do it.

And when I say \$40 million, that is the cost of funding the pensions for the 302 people who are apparently involved for their normal life expectancy. And I agree it's a shocking number. I'm sure that the people who phoned you were as shocked as I was when I heard it. I couldn't believe it.

**An Hon. Member:** — They don't.

**Hon. Mr. Mitchell:** — Well I'm sorry, but this is the analysis of actuaries whose business it is to make this kind of calculation.

Now I don't have a list of the 302 people and I don't think it would be possible or appropriate for me to reveal the names of those people if I had the list, but I don't have the list. But the board spent weeks, months searching old files, trying to identify people who are caught in this business of losing their pension because they remarried, and who are still alive. And the figure that they've come up with is 302. And I thought it would be a larger figure than that frankly but that's what it was.

**Mr. Boyd:** — Mr. Minister, would you be prepared to sit down with these people and share that kind of information, and have someone that has that kind of expertise to go over this with them to detail the kind of numbers that we are talking about, and share with them the list of 302 people? I'm not asking for it. I suspect they would have . . . could come up with a couple of representatives that we can trust their integrity in this area. These are people that are affected, directly affected.

We're not asking you to publicly broadcast this or anything of that nature but I think it would provide at least the opposition with some comfort that you were working with the right assumptions. If what they are telling us is that they know of 45 people, and you are telling us that you know of 302, that's a

considerable difference of a starting point to make the calculations.

We don't disagree that your actuaries are probably correct in their assumptions, calculations, but if you were providing them with the information that they believe is incorrect as a starting point then we have a big problem here. And I say if you take 45 over 302 it substantially cuts down on the amount of compensation that would be available.

So, Mr. Minister, I think what at the very least we could do for these people in the interim while you're making your decision is to take the opportunity to sit down with them and share some of this information. If it shocked you it certainly has shocked us and from the calls that we are receiving they are flabbergasted at the kind of numbers that you are talking about here.

Would you endeavour to take that opportunity, you and your department, to provide them with that information? As I said we're not talking about broadcasting this or anything like that. We don't want to get into any of those games that you used to get into. We don't want to get into that kind of stuff, Mr. Minister, but what we want is some assurance that we're working from the same starting point.

**Hon. Mr. Mitchell:** — I can say to the member that I know that the management of the Workers' Compensation Board would be glad to sit down with this group and explain the funding principles and what the arithmetic is like.

And I know that they would be prepared to share how they identified the 302 people. I am not able to say that the board can provide the 302 names. I don't know what rules of confidentiality or policy affect that. I just have no knowledge of it at all. So I'm not able to give you an undertaking on that score. But as far as the calculations are concerned and how the actuaries put these figures together, I know that the board would be glad to do that.

After all it was the board that read in the newspaper about the widows and their concerns and contacted them and invited them to come in and meet with the board and that's how this whole process got started.

**Mr. Hillson:** — Good evening again, Mr. Minister, and your officials. I want to ask you about the situation in the meat packing industry and the meat processing industry. And I know the minister is aware of the situation with the lockout at the Maple Leaf plant in North Battleford; and concurrent with that, of course, there were labour problems right across Canada with Maple Leaf which resulted in a quite startling settlement at the Burlington plant. And also in the middle of the labour dispute there was an announcement of a major new plant for Brandon, Manitoba.

I think that from the standpoint of North Battleford, we did have workers off the job due to a lockout for six months and the end result certainly seemed something less than satisfactory from their standpoint. And I wonder if the minister has any comments on that situation.

**Hon. Mr. Mitchell:** — I do, Mr. Chair. This is a matter that I've had the opportunity to discuss with the member a number

of times, he being from North Battleford and having constituents who are directly affected by that lockout.

It was a difficult lockout to understand because it didn't make sense considering the whole of the Maple Leaf bargaining pattern across the country — why did it zero in on North Battleford? But they did. And quite a number of people were out on the street for a long time.

At the same time there was little or no bargaining taking place around that plant. People were just allowed to . . . they were just off work. And the bargaining that did take place and the contact between the union and the Maple Leaf company was happening in Ontario for the most part, and perhaps also in Winnipeg and Edmonton, but certainly none of it around the North Battleford area.

The Burlington situation was a very interesting situation. I'll just take a moment to put it on the record. I know the member knows the details of it. But what you had there was an employer that offered a relatively large — really a huge amount of cash — to individual employees if they would agree to the employer's last offer. And by a margin of 56 per cent the employees agreed. And that collective agreement is now unlike any other meat packing collective agreement in the country.

And of course then followed the negotiations in North Battleford where the union pretty much collapsed because of the Burlington situation. I think that's a correct description of the situation.

We're now looking at the whole meat packing industry, wondering whether Burlington will be isolated, whether Burlington-North Battleford will be isolated, or whether this will spill over into other plants.

The Fletcher negotiations in Alberta are in grave difficulty. The employer's locking out, bringing in scabs and has an offer on the table that is pretty much identical to the Burlington offer, so it is an ongoing phenomenon.

And the reason why I go into this detail is that this approach to bargaining, to in effect buy a cheap contract with cash money and come out of it with very, very substantially reduced wage rates that will apply to all future employees is quite a shock to the collective bargaining system and presents quite a significant threat to it. It's hard for workers, particularly those with little attachment to the plant, to resist a big cash offer. People in Burlington were getting as much as — I'm not sure of these numbers, but let me use them anyway — as much as \$20,000 cash to vote for the contract, to vote for the offer.

And they'd only been there for a month, six weeks. You know, they didn't have any attachment to the plant at all, and that is a very, very dangerous situation and poses a great threat to what has been a pretty stable institution in this country, namely the collective bargaining system. And it bears watching, and it certainly was a . . . presented great difficulty to the men and women in North Battleford who were locked out for all that length of time.

**Mr. Hillson:** — Yes, Mr. Chairman, Mr. Minister, I know there was considerable publicity, at the time of the North Battleford

lockout, of wage rates in the industry of 16 to \$18 an hour, and of course that may have been true in some places, but it certainly was not true in North Battleford where the wage rates were under \$10 an hour. But now while the North Battleford workers had hoped to come up somewhere near the national average, it seems as if in fact the opposite has occurred, and the bar has been lowered to where the North Battleford workers had been.

I wonder if the minister could tell us if he is concerned that because of the Burlington and other settlements, that in effect the meat packing and meat processing industry has really ceased to be what you could call a career job and has now moved into the sort of job that one would expect itinerant workers come and go, as opposed to people who can build lives and support families and build communities with.

(2030)

**Hon. Mr. Mitchell:** — Mr. Chair, I think that's a very good point. It is . . . I have to acknowledge it's a very good point. What's at stake here is not . . . I mean, one of the things at stake as I've just described is the integrity of the collective bargaining system, but another thing that's at stake is the meat packing industry itself.

And if indeed it becomes a low wage industry that's attractive only to itinerant workers, the skill levels will vanish. The attachments to the jobs will vanish or become very, very weak, and the whole industry will suffer as a result.

And not just at the plant level, but backing up all the way to the producers. It will affect the industry all the way back and this should be of great concern to everybody if the meat packing industry should be de-skilled and reduced to in effect minimum wage employment. That would be a great set-back for the whole industry, so the employers who are so fascinated with the idea of ratcheting down the wage rates should look beyond the immediate bottom line to some of the long-term consequences that were implicit in the question of the member from North Battleford, and I agree with him.

**Mr. Aldridge:** — Thank you, Mr. Deputy Chair, and good evening to the minister and his officials. I guess I also find it disconcerting, some of the comments you just made concerning the meat packing industry and the prospects for employment in that industry and the type of employment that it may end up becoming as a result of what's occurred there.

I can't help but think the government themselves are also guilty with respect to some of these sorts of things where . . . For example, I had raised an issue about a year ago now concerning call-out provisions with respect to home care workers in the province and the fact that the government was not really paying particular attention to their own labour standards in that regard. Where all we were talking about is paying some home care workers a minimum of three hours of minimum wages, I believe, when they were called out to work.

And I'd just like the minister perhaps to give us an update as far as where that situation might be at this point in time.

**Hon. Mr. Mitchell:** — Mr. Chair, I apologize for taking a few

moments to get updated on this important issue. The department continues to work on this problem. The member was quite right in bringing it to our attention. And the progress is being made. Of the 33 districts there are 9 where there's still a problem, and the number of cases originally were about 700 and they've been reduced to about 200.

And the difficulty that's standing in the way of finally resolving all of the cases is the matter of records. The records are not in many cases adequate or complete, and we're not able to finalize the number. But I'm told by my officials that there's no problem in principle. The employers realize that they were not complying with the law. And the question is what it takes to comply with the law. The department continues to work on the settlement of these remaining cases.

**Mr. Aldridge:** — Mr. Deputy Chair and to the Minister. Is it your intention to make this some sort of a blanket offer to these individuals; you're telling us some 200-odd individuals now. And if so, what sort of a figure might that be? Is it at all reflective of the work that they may have put forward? Giving that these people were being called out to work for minimum wage we have to understand it's not like it was a tremendous burden in that regard, and there are labour standards to be adhered to here. Would you be able to provide us with that information here this evening?

**Hon. Mr. Mitchell:** — Mr. Chair, the individuals concerned were paid somewhere between 8 and \$12 an hour for the hour that they were allowed under their collective agreements. And the Minimum Wage Board order would have required the payment of \$16.80 — three hours at the minimum wage. And as I mentioned the records are spotty so they're trying to settle these cases, find a formula that everybody can buy into to settle them and it's a lot of work, but progress is happening.

**Mr. Aldridge:** — Mr. Deputy Chair, could the minister give us some idea of what sort of a range we're looking at here in terms of these workers and what sort of back wages might be due to them? I know you're saying you're trying to reach some resolution, some common ground I suppose you could call it, but always, you know the middle ground or the averages don't always necessarily reflect the burden on individuals. And I was wondering if you might be able to at least provide us with the high and the low range.

**Hon. Mr. Mitchell:** — The arithmetic on it I've already stated. The law requires \$16.80 on a call-out, and the collective agreement pays one hour's wages, so the shortfall could be 5, 6, \$7, depending upon the employee's wage rate. The range that we've found so far is between a low of about \$45 to a high of about \$700 for entitlement. And the average is a little over \$200, \$210, \$200 — in there somewhere. I think that's about all I can tell the member.

**Mr. Aldridge:** — Mr. Deputy Chair, thank you. Mr. Minister, I'd like to go back to some issues related to workers' compensation and the Bill that was being discussed earlier today. And the mention of the benefit-of-the-doubt provision now that has been, I guess in your words I heard . . . embedded I think was one of the phrases or words I heard you use, embedded in the Act; of course, enshrined is another one we've heard, perhaps a better word. But I didn't hear too much about

the benefit-of-the-doubt clause pertaining to the Act with reference to it being enforced by the Act.

Because I think that's where a lot of people perhaps . . . and I think you have to give them the benefit of the doubt in being just a little bit sceptical of the whole matter because let's face it, it was policy prior to this to give workers the benefit of the doubt in these sorts of situations. And I think we'd all have to agree that perhaps in practice that didn't actually occur. And we've ended up with some hardships that we've all heard of, and certainly I think that there's something that could be done for these individuals.

But why was there not more consideration given towards not only enshrining that benefit of the doubt in the particular Bill, but in fact the enforcement aspect of it? What prevented your department from addressing those concerns on behalf of workers in the province?

**Hon. Mr. Mitchell:** — Well we as legislators sitting in this Assembly have the ability to pass laws, and we do. Sometimes those laws are applicable to the public in such a way that a breach of those laws attracts a fine or some penalty. But in most situations involving legislation like The Workers' Compensation Act, we set up a statutory regime. In the case of the Workers' Compensation Board it is a complex statutory regime. We make provision for a board to administer it and we lay down in statutory form the way in which this Act will be administered. And we expect that that will happen, that the organization involved will in fact follow the law, and of course in the normal case that happens, it happens in a matter of course.

Your question is: what happens if they don't obey the law? And in the case of the Workers' Compensation Board the remedy would be to replace the board. We'd say this board doesn't follow the law; we have to appoint a different board.

But I think in those circumstances it would be inappropriate to start fining individuals, almost impossible to prove a case like that and impossible to prosecute. Far better to leave it to good administration to ensure that the laws passed by this legislature are in fact being administered according to their intent by the organization involved, whether it's a department or whether it's an independent board or what it is.

**Mr. Aldridge:** — Mr. Deputy Chair, Mr. Minister. It's my understanding that our province is probably one of the only ones, if not the only one, that doesn't provide for instances of court appeal as far as decisions that are handed down by the Workers' Compensation Board, or as in another alternative, like a wholly independent commission in that regard.

In your opinion is that fair, that we be the only province that doesn't provide that to our workers, that wholly independent view or a court appeal process? Just simply put, is it fair?

**Hon. Mr. Mitchell:** — Well I think that our Workers' Compensation Board is subject to court review. I think it's subject to court review in the same way that the Labour Relations Board is, or that a host of other organizations in society are subject to court review. They're administrative tribunals. They have to operate within their jurisdiction; they

have to operate in accordance with the principles of natural justice and so on. And our board is equally subject to that kind of court review as all the other boards in the province.

If the member is talking about an appeal process in individual cases, we've had two discussions on that subject already tonight. And to make a long story as short as I possibly can, we are not satisfied with the models of appeal that now are being followed by some other jurisdictions in Canada. We think that they have a more down side than up side, but we are admitting that there is a perception that an appeal all entirely within the structure of the board has the perception of not being fair.

So we have long looked for an option, an effective, low-cost option to resolve these cases. We do not think it lies in the court system. We do not think it appropriate that workers' compensation appeals should be heard by the courts for very obvious reasons. But we are certainly open to ideas about an appropriate, effective, low-cost, high-speed appeal process.

**Mr. Aldridge:** — Mr. Deputy Chair, Mr. Minister. With respect to support services and outreach programs that you might have planned in the next fiscal year or this fiscal year, and again with reference to the Bill that was up for discussion earlier this afternoon, and hearing from yourself that really at this point there isn't even the start of a list as far as it relates to occupational disease, what component might we expect within support services? What sort of funds might we expect devoted towards that sort of a program of trying to establish at least the start of a list of occupational diseases in the province?

**Hon. Mr. Mitchell:** — Well, Mr. Chair, and to the member, there are occupational diseases that are recognized by the board. They don't limit themselves by saying, we recognize the following industrial diseases because the list does not . . . we haven't reached the end of the list. The list is still open.

And as more research is done and more diseases rise and our understanding of these things increases, the board's treatment of cases changes in order to deal with these new situations. The board is constantly, constantly alert to developments — that is the latest literature, the latest research, decisions of other boards all across the country and in other countries as well — and try to keep themselves fully informed on the latest, best thinking about the subjects. The board, as you know, are very active in their public consultation process with the employer groups and with trade unions and others — anyone who's interested. And these are often the source of ideas. A lot has been discussed recently about occupational disease panels, and the original drafts of this legislation had such an idea in it. It was abandoned because there was scarcely any support for it so the idea was abandoned.

The university is interested in getting into occupational health questions in their department of medicine and that may be the source of important research in Saskatchewan, depending on how far they want to take it. Our initial reaction has supported the idea of the College of Medicine taking an interest in occupational medicine. But I think that's down the road a bit and we'll see where that takes us.

**Mr. Aldridge:** — Mr. Deputy Chair, Mr. Minister, if we were to see involvement by the universities into research related to

this, would we perhaps see a bit of rethinking — not just a bit of rethinking but perhaps some fairly significant rethinking of Workers' Compensation Board policies related to stress on the job — which from what I heard earlier this afternoon, it seems to me there is a large number of claims related to what is stress-related workplace injury.

And a lot of these are not getting resolved, from what I understood relative to what you also pointed out, was perhaps otherwise 96 per cent of the claims are resolved. So certainly this seems to be an area that there should be a lot of attentions focused on — where we remove some of the decisions away from the Workers' Compensation Board and perhaps place them in . . . in terms of the policies that are established that perhaps aren't as well researched from a health perspective and put them in the hands of professionals, people who actually research these fields.

I guess what I'm saying is we need to recognize that there are hazards on the job, in the workplace, in this province that are leading to stress and stress-related injury. And it isn't just simply acceptable any longer to be suggesting that any illness as a result of these sorts of stresses was due to some prior condition, some prior weakness on the part of individuals. I think if we are really and truly trying to be fair to our workers in this province, that we have to be a little bit more caring and compassionate in that regard. But in order to do that, perhaps we have to turn to some cold, hard medical research. I just welcome your comments in this regard.

**Hon. Mr. Mitchell:** — Mr. Chair, I agree that more and harder research would be a very good thing, very desirable. And I think our understanding of these matters is at a very primitive stage. I think we have a lot to learn and we certainly are supportive of this kind of initiative. Our resources in this province are a bit limited but none the less there are very important things that we can do, and I think we should get about it.

**Mr. Aldridge:** — Mr. Deputy Chair, and to the minister, would you be able to outline for us in terms of minimum wage in the province, where are we at. How far down the road do our workers in this province that have to endure working at a minimum wage level, how far down the road are we from seeing some sort of an increase for these individuals?

**Hon. Mr. Mitchell:** — I'm expecting a recommendation from the Minimum Wage Board just daily. I had expected one before now. As the Assembly will know, we appointed a new Minimum Wage Board and they have been working for some months now. They had a bit of an agenda carried over from the last board in terms of a couple of ideas that had to be researched, and I am anxiously waiting for a recommendation with respect to an increase in the minimum wage.

**Mr. Aldridge:** — Mr. Deputy Chair, and to the minister, would you be able to provide us with any sort of an idea of what might be expected in the way of . . . I hear increase, and certainly I think an increase will be welcome. But people want to know if it's going to be of significant amount. What difference will it make in their life? If we could hear on that. And also with respect to recommendations that might be provided to the government, is it something that is necessary that your

government act upon it specifically? Are you obliged to follow it or are you in a position to overrule it if you don't think the increase, you don't think that the increase is sufficient to meet people's needs? Or are you in a position, or would you be prepared to overrule their decision?

**Hon. Mr. Mitchell:** — We have never done so. Successive governments have always accepted and followed the recommendations of the Minimum Wage Board as to the level of the minimum wage, and I don't think there's a case in our history where it's been overruled. It's been followed in every case.

And the last thing I want to say on the point is, we do not give them any clues. I don't give them any instructions. I haven't even spoken to any member of that board since they were appointed on the subject.

**Mr. Aldridge:** — Well, Mr. Minister, I know that those individuals who have to work for minimum wage levels in the province are finding it increasingly difficult to make ends meet. We all talk about cost of living in the province and how it's calculated, and we all sometimes wonder how that's calculated because it certainly seems like most people's cost of living is rising much faster than the index that we hear so often referred to. So certainly if there's an increase, we want to hear about it sooner than later. And we're hoping that it will provide some significant benefit to workers and their families in this province.

Aside from that I have no further questions for the minister this evening, and his officials. I'd just like to thank them for this opportunity to put a few questions to them, and look forward to a continued dialogue. Certainly there's a lot of issues, and I think we've heard the minister admit there's a lot of issues left to work out with respect to workers' compensation issues.

We're not necessarily looking at the complete solution in The Workers' Compensation Amendment Act that we've discussed earlier. I think the door is always open to make improvements. We certainly hope from this side that you'll be open to listening to our suggestions for improvements. We all want to be prudent, responsible in any suggestions we put forward. I take pride in our caucus and in the responsible suggestions that they do put forward to government, and I just hope that the dialogue can continue. Thank you.

**Mr. Toth:** — Just one question. But before that, I'll just take this opportunity to thank the minister and his officials for the responses that they've given both in regards to The Workers' Compensation Act that we moved forward just a few moments ago and as well, Labour.

But coming back to one comment raised. And I came across that information I was talking about regarding the feeling of humiliation that people feel. And in one case here, an individual talked about having been a nurse for a number of years and referred to a specific specialist, was hollered at, felt that the person was rude and that . . . a daughter says, it felt like my mother was violated physically and emotionally.

And in another case, and it just so happens to be the same specialist that another person was referred to — and this comes from his parish priest who accompanied him — and the same

type of comments were made. Basically even the priest felt really violated by the process.

Mr. Minister, the question I would have to you: when individuals, after they've been referred to . . . first of all they've gone to their family physician who has dealt with them as compassionately as they can, then referred them to a specialist, and then all of a sudden Workers' Comp says, but we want you to see this specialist. So you're now on your third, possibly your third or maybe fourth visit, and all of a sudden if you're faced with that, it just seems unbecoming of anyone in that profession.

What avenue would individuals have if they feel that they've been addressed in this situation? And that's why I guess I come to the point of the appeal mechanism outside of the board that may address this. But what avenues do you have today where individuals . . . who do they turn to when they feel that they've been treated rudely just in responding to a claim from Workers' Comp or a request to see a specific specialist regarding a certain diagnosis?

(2100)

**Hon. Mr. Mitchell:** — I'm aware of the case that the member has raised, and I think it is just totally unacceptable that people are treated in such a fashion, and the doctor involved ought to be thoroughly ashamed that such a thing happened in . . . I'll say his or her office but we know who the specialist was.

I practised law for many years, and if I had behaved in such an unprofessional way, then the client involved would have cause to report me to the Law Society of Saskatchewan, and they would investigate. And I think in the end I would be at least required to apologize — at least.

Presumably the medical profession has similar standards, and maybe that's the solution. We have no statutory solution, but we certainly do not for one moment condone or accept that kind of conduct. People are entitled to be treated with respect and ought to be treated by respect in all these circumstances.

Subvote (LA01) agreed to.

Subvotes (LA02), (LA03), (LA05), (LA04), (LA07), (LA06), (LA08) agreed to.

Vote 20 agreed to.

**Hon. Mr. Mitchell:** — Thank you, Mr. Chair. On behalf of everyone in the Assembly, I'd like to thank the officials from the Department of Labour who came tonight and assisted the committee in its work. They do excellent work, and I'm happy to have this occasion to acknowledge it.

**General Revenue Fund  
Saskatchewan Municipal Board  
Vote 22**

**The Acting Chair (Mr. Whitmore):** — I would ask the minister to introduce her officials.

**Hon. Mrs. Teichrob:** — Thank you, Mr. Chairman. On my left

is Janet Stamatinos from the Saskatchewan Municipal Board.

**Subvote (SM01)**

**Mr. Bjornerud:** — Thank you, Mr. Deputy Chair. Good evening, Madam Minister, and welcome to your officials tonight. I just have a couple of questions on the Municipal Board, and then we'll have more when we get into the estimates part.

I'd like to go just into the reassessment part again, Madam Minister, a little bit. And some of the concerns I believe my counterparts brought up the last session we had, but I would like to go into them a little bit again. As you know and are very well aware of, the town of Saltcoats and other communities still have big problems with what reassessment has done to their communities mainly because of when you add the education tax on it really distorts the picture.

Also I've had calls from the community of Kamsack, and I'm sure there's other communities of the same size that would be in the same boat, Madam Minister, to where one gentleman — and I guess there's a number of them in the community of Kamsack — but where his taxes were two years ago at \$2,900. And then a year ago it jumped about another thousand. Now this year it looks like they're going to be around \$5,200, Madam Minister.

I think when reality hits us with that kind of figures out in small town Saskatchewan, I'm sure you'd have to agree with me that all of a sudden we're going to see that absolutely no one will be building new homes in any of our communities out there. I mean common sense tells you you might as well move out of those communities and live in the big city and have all the benefits of living there.

Also I think another concern that he brought to my attention was that the resale value on these homes now will be far less than it was before because in his case where his taxes look like they're going to be \$5,200, that's in excess of \$400 a month just in taxes. That's not their mortgage on their house or anything. It's just the tax bill. Their feeling is — and these are nice homes, Madam Minister; they're not palaces by any means, but they're very nice homes — nobody will even want to consider buying them for any kind of a substantial price that they should be worth and probably what reassessment valued them at. So we're actually causing ourselves a problem by setting it at a certain rate. And with our tax structure the way it is, we're defeating our own purpose, Madam Minister.

I just wonder if you've had some of those same concerns brought to your attention from other communities.

**Hon. Mrs. Teichrob:** — Well, Mr. Chairman, the member opposite very eloquently puts the case on behalf of some of his constituents or people in the province who feel they've been adversely affected by the adjustments in the assessment as a result of 30-odd years of not bringing it up to date.

But really the subject of the estimates for the Saskatchewan Municipal Board are not really relevant to those concerns because the mandate of the Saskatchewan Municipal Board is confined to making sure that appeals to assessment are properly dealt with. Their mandate is to review, when appeals are

brought to them, to ensure that the process at the local level was appropriate, and to render decisions on the appeals that are brought to them.

**Mr. Bjornerud:** — Okay, thank you, Madam Minister. We'll ask the same question later on then, when we get into estimates then. We're dealing strictly with the subject of the Municipal Board tonight.

Do you have a feeling of the number of appeals that we're going to have this year? I know in some of the communities I've talked to they're down, but they're still very high from the normal. And are you getting a feeling of what we're going to see this spring now?

**Hon. Mrs. Teichrob:** — While it's difficult to make forecasts, I think that we didn't receive as many appeals in 1997 as perhaps we thought, and likely that could be attributed to an unfamiliarity of appellants with the new system and so on. I believe — and this is simply conjecture — that we are expecting appeal numbers to be up slightly this year. As of about six weeks ago, there had been a total of 810 appeals to the provincial Municipal Board for 1997.

**Mr. Bjornerud:** — Thank you, Madam Minister. Mr. Deputy Chair, I believe at this time the balance of my questions I would like to ask in estimates where they'd be more fitting probably.

Subvote (SM01) agreed to.

Vote 22 agreed to.

**Hon. Mrs. Teichrob:** — Mr. Chairman, I'd like to thank the staff members of the Municipal Board for the work they do and for standing by on several occasions, and thank the members opposite for their questions.

**General Revenue Fund  
Municipal Government  
Vote 24**

**The Deputy Chair:** — I report to the committee that Municipal Government was last before this committee on April 24. Before I call Subvote (1), I invite the minister to introduce her officials.

**Hon. Mrs. Teichrob:** — Thank you very much, Mr. Chairman. On my left is Ken Pontikes, deputy minister of Municipal Government. Behind him is Brij Mathur, associate deputy minister of the municipal and community services division. Right directly behind me is Ron Styles who is the associate deputy minister for housing, protective services and facilities division. And on our far left is Larry Chaykowski who is the director of the finance and strategic support within the department, Mr. Chairman.

**Subvote (MG01)**

**Mr. Bjornerud:** — Thank you, Mr. Deputy Chair. Madam Minister, I'd like to go back to where I was when we were talking with the Municipal Board and was probably the wrong place to be asking the question.

And I want to welcome your officials you have with you here

tonight.

The question that I was asking, Madam Minister, was where taxes have gone. From the case of the one situation that I was talking about but there are many more in many communities out there of \$2,900 a year and within two years this gentleman's home is up to \$5,200.

And I guess I'll just reiterate some of the concerns I had but I'm sure you're well aware of what I'm talking about. And I think my biggest worry of being representing people from communities the size of Kamsack, Esterhazy, Langenburg . . . these are not little, wee communities. They are fair-sized communities that are working out there to survive.

And I'm afraid what we're going to do if we keep going in the same direction we are with our taxation the way it is, with our education tax tied to the property, is we're going to chase people and small business out of these communities, Madam Minister, and I would honestly believe underneath that you have to agree with me on that.

When someone is paying 400 to \$500 a month in taxes alone on their home — it was only a short time ago that \$450 was a fairly good house payment — now on top of their mortgage, of whatever that may be — of \$600 a month — we're asking some of these people to pay another \$500 in taxes. And what we're going to do is they're going to take their little business — they're going to take whatever lumps they get from selling their business and selling their home — and run for the bigger cities.

And I'm afraid the trend has already started out there. In small town rural Saskatchewan we're chasing people towards the cities; we're promoting what is happening. And I would surely hope that in the very near future we try and reverse that trend so we survive out there, Madam Minister. And I'd just like your comments on that same subject.

(2115)

**Hon. Mrs. Teichrob:** — Mr. Chair, I thank the member opposite for his question, but I neglected when I introduced the officials to mention that the Minister for Northern Affairs is also present tonight, and is prepared to deal with any questions relating to northern affairs, northern housing, in the context of municipal affairs.

With response to the comments that have been made by the member opposite, we know that there are some adjustments that have occurred as a result of the revamping of the assessment system, but really the responsibility for this function has been delegated, if you like, to the arm's length agency, the Saskatchewan Assessment Management Agency.

And we in municipal government are responsible for the framework of legislation under which they operate, and for defining the tax tools that are available for municipalities to use at the local level. Last year of course was the first year of operating in the assessment, in the new reassessment.

Probably some municipalities — through a lack of understanding and unfamiliarity — have not availed themselves of the use of the full range of tax tools that are available to



them, and we are doing a review of the whole situation. We will no doubt be making some refinements as a result of the results of appeals, as a result of ratepayers' comments, and administrators' recommendations from rural and urban municipalities.

So the most response I could give is really that we will be reviewing it, and that I'm sure that refinements will be made in the system as we move along and before the next reassessment which is to occur in 2000.

**Mr. Bjornerud:** — Thank you, Madam Minister. I guess, you know, I think you understand the concern I have being out there, being that you are a past reeve and you know very well what I'm talking about. But I honestly believe we're tinkering with our way of life in rural Saskatchewan.

And I don't think I have to remind you, and I'm not sure if the numbers are exactly the same, but I think about 40 to 45 jobs out of every 100 jobs in this province are created by agriculture. And we need our little communities out there. We can't survive by driving to Regina or Saskatoon or Prince Albert or Moose Jaw for everything we need. It just can't happen, Madam Minister, and I'm sure you are very aware of that.

I guess we come back once again. We've gone over this many times before, and I'm sure when you were a member of SARM (Saskatchewan Association of Rural Municipalities) or a delegate at SARM conventions, you've heard this before. But it always boils down and comes back to the education tax being tied to property tax.

And I think maybe that issue is even becoming more and more important now because I think more people, when their taxes have sky-rocketed here, are paying a lot more attention now to what makes up their property tax.

And at one point I honestly believe a good number of our people out there never really realized that education was part of our tax. Because I know in our municipal office, quite often if the education mill rate was jumped, the RM (rural municipality) administrator was the one that really took the brunt of that. And he would have to explain over and over again, well really we don't have the . . . we don't set the mill rate for education, someone else does; we collect it.

I think in this day and age with the reassessment, has brought to light . . . many more people have woke up to the fact there is two different taxing authorities; they are being collected under one heading.

And I know there's no magic solution to the education tax. But I honestly feel, and I know in my own case, Madam Minister — I don't know if you're getting the same feedback I am — but I've had more complaints since reassessment about the education tax being tied in on property than ever before. And I'm wondering if your government is looking at this now and thinking, maybe if there's something we could do to address this problem.

I realize of course there's trustees sitting out there tonight wishing I'd sit down and mind my business and not be talking like this, but I honestly feel at some point here we've got to

start to address this problem. We're hurting ourselves out there in the, you know, small towns and RMs.

**Hon. Mrs. Teichrob:** — Mr. Chairman, certainly there were adjustments as a result of the reassessment, but there were some fairly dramatic swings in the urban municipalities as well, including the large urban ones.

And I think your assessment of the situation is correct in that, on the municipal side, the changes were really not that dramatic. Because at the end of the day I think most municipalities were able to demonstrate that, on the municipal side, reassessment was essentially revenue neutral in that the municipalities still needed the same amount of gross operating revenue.

So if the assessment went up the mill rate went down and life went on. And certainly . . . I think approximately 60 per cent of urban communities took advantage of the provision which allows them to levy a minimum tax. A larger percentage actually than, than I would personally have projected. So I hope that the member will raise, Mr. Chairman, these issues in the context of the Education estimates.

**Mr. Bjornerud:** — Yes, thank you, Madam Minister, and I surely will. I'll have to argue with my colleague probably over where our position will be on it, but I think you know where I stand.

Madam Minister, we saw this year that SARM was asking for possibly 3 million . . . or they received \$3 million more, and urban municipalities received nothing this year. And I see this weekend we're having where the municipalities are meeting . . . I believe the Prime Minister is going to be there, and the Premier is going to speak to these people. Is it your feeling that there's possibly a new infrastructure program in the near future?

**Hon. Mrs. Teichrob:** — Mr. Chairman, the member opposite is correct in that the Federation of Canadian Municipalities is having their national meeting here in Regina. I believe it's already started; people are starting to gather. And I'm told by some of the urban associations and from other provinces that the matter of a renewal of the infrastructure — federal-provincial infrastructure program — will be raised.

And certainly we have always, as a province, supported the extension of the first infrastructure program, and we strongly supported the allocation of that money to municipalities. And in fact our total provincial allocation in the extension was allocated to municipalities for their use. We will continue to support an extension of that program.

**Mr. Bjornerud:** — I'm glad to hear that, Madam Minister, because I know just for the time we spend in the city of Regina and if you're in the city of Saskatoon or for that matter any town or city in the province, I think we can see what is happening to their streets, and that's only one small part of the infrastructure that they have to look after. But I honestly believe we're losing ground, and I think we need some federal money to be put into that, Madam Minister. And I think they have a big responsibility to do that, so I join with you, and I hope they're willing to put some new money up. We need that program badly.

Madam Minister, I know we touched on the policing issue once or twice before, and I only have one more question on that. Some of the concerns and the groups that are . . . communities that have talked to me, I guess their problem with it right now is that the communities have always been paying for policing, and I think it comes down to they're still not really happy about it being fair out there. And all I'm asking, Madam Minister, is I wonder are you doing anything to address their problem, and are you aware of what they're saying and I'm sure you are.

**Hon. Mrs. Teichrob:** — Mr. Chairman, yes, and I will address the policing issue separately, but the member did make a couple of statements earlier with respect to an increase in the rural revenue-sharing pool, but he said nothing for urbans. And it's true that the urban revenue-sharing pool was not increased, but the \$4 million that will be allocated to the policing offset will go to urban municipalities and we also this year made provision for the first phase of the grants in lieu which, while a small part of it will go to rural municipalities, that also goes to urban municipalities. So while there may not be additional money in the revenue sharing pool, there certainly is additional money available to them.

Now on the issue of the policing offset, as the member opposite knows, Mr. Chairman, the Department of Justice and SUMA (Saskatchewan Urban Municipalities Association), the Urban Municipalities Association, and the rural SARM representatives attended as observers throughout the development of the task force report on policing — the equalization of policing costs — and they identified a formula that they felt to be fair in terms of what per capita charge should be made for policing.

And so that report . . . the analysis of that indicated that in order to reduce the level for those urban municipalities over 500 that are paying something that was within the parameters of that formula, it would take a contribution of about \$15 per capita from those municipalities, urban and rural, that are not presently paying. And that would amount to just over \$4 million.

So we felt that, and we acknowledge that there have been revenue sharing cuts over the years, and that it was not an appropriate time to levy a new charge on those smaller and rural municipalities that had never paid before. So we did, starting January 1, 1999 — it won't be in this calendar year but it will be in our fiscal year — the offset will be paid to reduce the costs of those urban municipalities. We'll be picking up the share of the municipalities under 500 urbans and all the rurals.

Now in the future, what we will be doing is we will be sending . . . they will receive a bill and then they will receive a cheque as an offset. And some of them will say, well this is additional administration. Well it is but we want to be careful to identify you know what it is that's being paid on their behalf and that we have no commitment to pick up any increases in the future. So if in future contracts just say theoretically, the cost rises for RCMP (Royal Canadian Mounted Police) to say \$17 per capita, then they will receive that additional bill. So at some point in time they will likely have to make a contribution to policing.

And I really believe, and I have told some members of the municipal associations this, that it is I think for an urban municipality whose costs have been reduced to say — for policing — to say well we're still not happy because our

next-door neighbour still isn't paying. I think in a community of a million people like Saskatchewan is where we lean on each other and help each other that that attitude is really not appropriate — that money is coming from the treasury to give those urbans some relief. And in the future, rurals and small communities will pick some up. But we think this is a great Saskatchewan compromise and we continue to support it.

**Mr. Bjornerud:** — Thank you, Madam Minister. And I agree with you. I think that situation was actually handled very well by the increase in money that you put in there. And I know myself and my neighbours, as rural taxpayers, were somewhat grateful that there wasn't another load dumped on them that I don't believe they could afford at this time.

Having said that, I do sympathize with the towns that are over 500. I understand where they're coming from and I somewhat sympathize with them because I understand that they feel that maybe the game's not really being played fairly here. So I guess it's a very tough position to be in, but I think we all appreciate the \$4 million that was thrown in there, and God forbid if I was to play politics, forget to mention that \$4 million.

Madam Minister, when we had Highway estimates the other day, the Minister of Highways, I had mentioned to her about a number of the highways I know in my area, and for that matter all over the province, where what is happening out there is the road services are so bad that traffic, heavy traffic especially, is being diverted one mile over, two miles over, into the RM's. And I drove on one the other day when I was going home and it's just pounding that road to nothing. It was never built for this in the first place.

But the Minister of Highways said to me something that I really didn't . . . I hadn't heard before and I would like you to maybe touch on it. She said there is grants available for these roads if the traffic is diverting off highways and on to the rural roads, and that was the first that I heard about it. Could you comment on that and explain if there is such a program?

**Hon. Mrs. Teichrob:** — Mr. Chairman, I would have to say that I don't remember the name of the program, but the answer to the member's question — and I think the reference that the Highways minister would have been making, although I wasn't present to hear it — was that where there is that situation where rural roads, that are not designated in the highway system, are picking up a load that's being diverted from a highway. And that there is a fund in the Department of Highways budget to deal with those situations and to help rural municipalities out.

But I would say that every single . . . I'm tempted to say mile because of my age and orientation, but every kilometre of road in this province is an important part of the network. Because you know, being a farmer and I'm a farmer, that it doesn't matter how many terminals you build and how many wonderful four-lane highways you have going past them, at the end of the day you still have to get the commodities that we export and move around, off the farm, from the factory. Even our short-line farm equipment businesses are in the Annaheims and St. Brieuxs and not along the highways. So all the miles are important.

(2130)

But that's why we're urging municipalities and regions to get together through the transportation councils to identify these kind of changes in the traffic patterns and try to help us prioritize how to direct the funding. And as you know, it is a very difficult problem, with the changes to the Crow rate which took almost \$400 million on an annual basis out of Saskatchewan's economy, and then the abandonment of railways which is shifting traffic onto the roads.

And it is absolutely unreasonable for the federal government to expect the taxpayers of Saskatchewan, a million people, to pick up you know those deficiencies that are being caused by actions at the federal level out of our taxpayers' pockets. Particularly the rural taxpayers when it becomes a tax upon farm land to repair those roads that are being damaged by the freight that's moving off abandoned rail lines.

So we have to work together, and we have to continue to put pressure on the federal government, whether it's for a national highways program, whether it's for our renewed infrastructure program, because I don't think in the future . . . Saskatchewan people are prepared, I think, that perhaps we can't afford to maintain every kilometre of our road system in the whole province to the levels that we had in the past or to the level that we might wish. But we do need some help in coping with the new loads and the new configuration of our transportation system as the elevator system and the railways undergo the changes that are happening.

**Mr. Bjornerud:** — Well I definitely agree with you, Madam Minister. I think the federal government has a big part to play in this. And I've never been able to understand how anyone could justify trucking a commodity from point A to point B, driving right along the side of a rail line and saying it's as cheap or cheaper to go on a highway as it would be on the railroad. And I think the federal government is really passing the buck here by letting the branch lines go and disappear here. In fact I sometimes wonder if they aren't promoting it and standing back and watching what the railways are doing to us out here. I think it's time they had a wake-up call, and they certainly don't seem to be getting it.

Madam Minister, I want to touch on engineering, and engineering costs have been high in the past. But with the new formula and the new set-up you have for funding municipalities out there, rural municipalities, what roads now have to be engineered and which ones do not have to be engineered. Could you just run through that for me?

**Hon. Mrs. Teichrob:** — Mr. Chairman, those standards are in the Highways department, but they're not, in a sense, as relevant as they once were because what we've done — in addition to increasing the rural revenue-sharing pool by \$3 million which represents about a 14 per cent increase — we have made most of the money, except for an allocation for bridges, an allocation for traffic counts, and a specific allocation for the heavy-haul roads, all the rest of the pool will be distributed unconditionally. Because you know, as it was before, it was allocated to certain classes of roads or it was allocated to a percentage of the reconstruction or construction costs based on the standard that was used. So there were a lot of forms to fill out.

And actually, in the current context, it almost seemed as if there was an incentive to add to the network of roads that we've got because you had to construct in order to get money. And we heard loud and clear and we listened, from municipalities, that look, we don't want to reconstruct or we certainly don't want to construct new roads; we want to be able to use this money to repair the ones we have, to maintain the ones we have, to regrade them, to do a better job of grading, maybe to use salt stabilization — you know, that kind of thing. And so we responded to that by making most of the pool distribution unconditional. So the construction standards, if you like, in that respect are not quite so relevant as they once were.

**Mr. Bjornerud:** — I guess maybe, Madam Minister, that's where my concern comes in then, with some of the roads where main farm access is not being funded any more. And I understand that the RMs can build them without having them engineered now. And it's kind of a double-edged sword because I remember, as a RM reeve out there, the engineering costs were one of our biggest costs for building a road. Or I shouldn't say biggest, but they were a very large part of our cost for building a road. But having said that, if we're because of just straight dollars now, all of a sudden we're saying well this road doesn't have to be engineered and that road doesn't have to be engineered, I would hope we're not going to start to give up the safety factor out there.

When I was a reeve, always when we talked 3:1, 4:1 slopes on a new road that we were building, I always felt that it was overall, you know, in the 20- or 30-year span, that that road was going to be there. It was money well spent to go to a 4:1 slope, the safety factor. And I always felt that the road stood up longer. I really do. I think when you go to the 3:1 slope for that matter . . . I guess what I'm getting to though is I think if we go away from any engineering at all on a lot of these roads that are still very well used, I'm kind of worried about what kind of calibre of roads we're going to end up. One RM will have a contractor in that does a very good job and goes to what the old standards used to be and makes you a pretty good road. But to save a buck, others might — and if the councils are not right there and right on the ball — we might get some pretty shabby looking roads.

And I wonder if we're forgoing the safety factor out there and also the length of time that these roads would last. Maybe you could just comment on that, Madam Minister.

**Hon. Mrs. Teichrob:** — Mr. Chairman, the member opposite raises a good point, and we certainly did recognize this as a risk. But I guess at the end of the day you have to rely on the integrity and the conscientiousness of those locally elected people out there.

You see when you say we're not funding farm access roads any more, that was the case last year. With the limited amount of money we chose to eliminate a class of road. But you see that's repaired by the unconditional funding, because they can then spend it on farm access if they wish. And in many municipalities their farm access standard or their roads . . . that constitutes the majority of their roads.

As far as the engineering is concerned, it varies a great deal as you know based on the soil type and the construction conditions

and so on. But we certainly hope that municipalities will not — that local councils will not — compromise safety and quality by not building roads or maintaining to the proper standard.

And there another feature to this unconditional distribution is that municipalities can save that money — I mean they get it this year, they don't have to spend it this year, it's not a you know a use it or lose it situation — so if they want to bank some of that money you know in order to do a better job, they can retain all or part of that allocation and add it to their next year's allocation to make sure that they prioritize the money and do a good job and don't compromise.

**Mr. Bjornerud:** — Thank you, Madam Minister, glad to hear that. The next question I have is for my colleague from Kelvington-Wadena, Madam Minister. And I'm not sure, we're probably maybe not in the right estimates but why I'm asking you the question is I believe you have been sent a copy of this letter. And it's from a gentleman in Prince Albert. And I just maybe will read it to you, and if you'd rather answer it somewhere else then I guess we could leave it for that. But she would have liked . . . what the gentlemen here is looking for confirmation and if, you know, maybe you're familiar with this . . . but I'll just read the start of it and it says, and I'm quoting here:

Dear Ms. Draude:

I've been authorized to represent my wife Aldina for our income tax purposes. She is currently appealing to the tax court of Canada . . .

And so on. Are you familiar with this letter by any chance?

**Hon. Mrs. Teichrob:** — Mr. Chairman, from what the member has so far stated it doesn't make me recollect anything.

**Mr. Bjornerud:** — Thank you, Madam Minister, then I think I'll leave it and I will talk to you later or she can talk to you later about this issue. Because if you haven't seen, it's quite complex. So my colleague would like to ask some questions.

**Mr. Toth:** — Thank you, Mr. Deputy Chair. Madam Minister, a few quick questions. One question regarding housing, and I notice you have about \$35 million in your budget to address housing. You've got a housing improvement program subsidy, home modification for the disabled, and Saskatchewan Housing Corporation is the largest expense of 26. Madam Minister, I guess the question I would like is how many low-rental housing units is Municipal Government involved in with this year? And also are you continuing to look at moving units from one community, if there are empty units available? Or where are you with that program? Is that a program that you've looked at?

I know you've done it in Kipling. I know you've moved low-rental units into Kipling from another community where they basically became vacant. I'm wondering how that program is, if it continues to operate or function?

**Hon. Mrs. Teichrob:** — Mr. Chairman, two things. I'll answer the last question first, in that the relocation program of chronically vacant houses from communities has come to an end because there just simply aren't any more chronic

vacancies.

On your other question, I need, Mr. Chairman, to have some clarification. When you say how many low-rental units are you speaking of? How many we have? Or whether we're planning new ones?

**Mr. Toth:** — How many in that budget?

**Hon. Mrs. Teichrob:** — Mr. Chairman, the answer of for the total, and this comprises a variety of different kinds of projects, but it would be 32,373 units throughout the province. It actually constitutes almost 10 per cent of the housing stock in the province — which is quite amazing. This includes the number that have been devolved in the agreement, from the federal government, from CMHC (Canadian Housing and Mortgage Corporation), in the agreement that we entered into last year.

**Mr. Toth:** — Mr. Deputy Chair. Thank you, Madam Minister. I won't pursue that much further because I know I could get into a lengthy discussion on housing units. And I'm also aware, I believe the member from Athabasca is interested in asking about housing starts for that area. So I'll allow the member to make those requests or ask those questions.

Madam Minister, I did send to your department a couple of requests most recently. And I'm not sure — I just quite quickly ran a look — I thought, I wasn't sure if I'd had a response yet or not, regarding Pipestone Valley Agro Parts, and their issue regarding SAMA (Saskatchewan Management Assessment Agency) and assessment. And I'm wondering, Madam Minister, if you've had a chance to respond to that or if the response is on its way?

And also, Madam Minister, a question that came in regarding a large rock on a road just outside of McLean from Cindy Goodman, and that question . . . the question I sent to your office was where does this person turn? There was major damage to their vehicle as a result of hitting this rock, and I'm wondering if you might have a response tonight, or if you still haven't had a chance to really look at that in depth?

**Hon. Mrs. Teichrob:** — Mr. Chairman, as the member knows, we've been spending quite a long time in the House lately, and so if I've received that correspondence in my office I haven't had an opportunity to look at it yet, but certainly when we do we'll be glad to give a detailed response.

**Mr. Toth:** — I thank you and I look forward to receiving that. Just for the sake of speeding up the process, and I believe the request from Ms. Goodman, if I'm not mistaken, I did ask her to send me a letter so that I'd have a letter to send to you. And you may have just — to be honest with you — you may just be receiving it or your department as well.

But in the case of this situation where a large rock was in the middle of the road, almost like the . . . only this rock didn't come through the windshield. The lady happened to drive over it causing major damage to her vehicle and she's having a problem having the RM acknowledge even the fact that there was a rock on a grid road. What's the process that she would follow to receive adequate compensation for the loss as a result of damage to her vehicle?

**Hon. Mrs. Teichrob:** — Mr. Chairman, I apologize to the member, but the same situation occurs there as that . . . I'm told that the letter has been received, but I personally haven't seen it yet, so I'd prefer not to comment on it until I have actually read it. And I'll certainly be glad to give you a detailed response.

(2145)

**Mr. Toth:** — Mr. Deputy Chair, thank you, Madam Minister. I'll look forward to that response and if there are some questions we'll certainly look forward to touching base with you and your office at the time.

Just one more question, Madam Minister, and this comes in regards to assessments. The question that arises here comes out of a concern — that was in fact some indignation, I would have to say — from a constituent in regards to a number of cottages in a regional park. Some have an assessment and are taxed and some aren't. And this gentleman here really feels that that isn't fair. I think this person that raises the concern currently now resides in a community. His house in town is taxed plus his property or his cabin at the regional park is taxed. And his concern is if he was . . . a suggestion if he was still on the farm he wouldn't have the property at the regional park taxed.

And, Madam Minister, I'm wondering if you could respond and why is that? And also, after that response, I'll just raise one suggestion that this gentleman's come up with. And if you haven't heard or seen anything of it, I'll send you some information that maybe your department can go over and you could get back to me on as to what you think of the ideas.

First of all, I'll wait for that response.

**Hon. Mrs. Teichrob:** — Okay, thank you. Mr. Chairman, I think that what the . . . I'm not familiar with the letter but I believe what the member's referring to is the provisions of 331(1)(q), that if a farmer had a cottage in a regional park he would be entitled to have the assessment reduced by the amount of the farm land that he owned if it was in the same or an adjacent municipality. But of course if he's left the farm and moved to a town, 331(1)(q) is not then . . . that offset is not available to property that's in a town or hamlet or other than in a rural municipality.

And I guess the other thing that would make your correspondent upset or indignant, as you put it, is that indeed cottages in regional parks were assessed in 1997 for the first time. The assessment replaced the previous lease fee. So it is the first time that the *ad valorem* system of taxation was used on those regional park cottages.

**Mr. Toth:** — Mr. Deputy Chair, and thank you, Madam Minister. Madam Minister, you're right. I remember the gentleman now in my conversations. I've had a number of them and I've tried to explain in some ways a bit of what I understand. And of course I can appreciate the fact that most people aren't totally satisfied if they see on one hand their property at a regional park taxed and somebody else's not.

But, Madam Minister, this gentleman sent me some interesting information on his views as to how to assess property without running into the situation that my colleague the member from

Saltcoats talked about, where individuals have seen property taxes going from 25 up to 5,900 or whatever the number may be.

And he's talking, he's bringing forward an idea where you address property based on the square foot of that property and so many cents a square foot versus a value. The reason he suggests value is because value only has . . . there's only real value in property if there's a willing buyer. And for rural communities you can spend a fair bit of money in a smaller community. If your smaller community starts to die that, as the member from Saltcoats said, that house may not have that value you put into it. All of a sudden its value changes. Whereas, if you're going by the square foot, you basically . . . that property then has, and if everyone's treated equally, that property has that same value.

Rather than getting into a lengthy discussion — which we could on this tonight, Madam Minister — I'm going to send you this information that I've received and ask if your department would go through it and then get back to me with what you think, or the department thinks, as they look through this. There's a number of different examples. And maybe give me an idea of your impressions of the ideas put forward and whether or not there's any value in it. And I'd appreciate that. I'll send this over shortly and await your response. I thank you.

**Hon. Mrs. Teichrob:** — Yes, thank you, Mr. Chairman. We'd be happy to take a look at it. I think that the reason we put in, as I said to your colleague earlier, the provision for a minimum tax was for exactly that reason. Say you had a small village where basically a lot of the housing stock was older and depreciated, and there were say two newer, larger houses, using the *ad valorem* system, the tax load would shift basically onto those properties but it would go down on all the others.

So over half of these small, urban municipalities in the province did avail themselves of that provision to use a minimum tax. But certainly while the tax and assessment system is in transition, which we have to say it is, then any progressive ideas that come forward, we'd be happy to take a look at them.

**Mr. Hillson:** — Thank you, Mr. Chairman. Madam Minister, good evening to your officials. First of all, on the regional park issue, I've had a number of persons contact me disturbed that although cabins in regional parks are now taxable they are still not allowed to participate in local elections. And this seems offensive to the most fundamental principles of democracy and of our system of government. And I'd like you to comment on that and tell me what plans you have in that regard.

**Hon. Mrs. Teichrob:** — Mr. Chairman, I've had my memory refreshed on this issue. We did have a committee to review and make recommendations and it included representation from the regional parks organization. And this is one of the issues on which they simply couldn't come to a consensus because it's too difficult to determine. What if the resident was from out of the province? They wouldn't be allowed then, not having resident status, to vote in a RM election either. So we just didn't get a consensus on the issue, so it's true that they're not able to vote in that rural municipality.

**Mr. Hillson:** — Well, Mr. Chairman, some of the people who

have contacted me, that is their one and only residence so they can't vote in another municipality. They are not non-residents of the province; they are residents of Saskatchewan. They are residents of that regional park. They own no other property. They are now fully taxable. They are shut out of participation in local elections. Do you not agree, Madam Minister, that that is offensive and distasteful in our system of government and ought to be corrected?

**Hon. Mrs. Teichrob:** — Well, Mr. Chairman, we certainly have these issues under review. We have an assessment review committee that we draw on. Both the resort community, PARCS — the acronym, Provincial Association of Resort Communities of Saskatchewan — and the regional parks association are taking part in this. And if a consensus can be reached on these issues where we can make some kind of a change where at least half of the people who are affected by it won't be offside by the decision, then we would do it. We did make some changes last year with respect to non-residents of the province and spouses of owners . . . of burgesses being able to vote in resort communities and so on.

But as long as there's not a clear consensus and as long as it's administratively not viable to determine how many times a person will vote or whether they're eligible to vote or not by virtue of residence, then it makes it very difficult for us to do that.

**Mr. Hillson:** — Well, Mr. Chairman, it seems to me that in all local elections, there is no voters' list. I simply come and declare myself a resident of the city of North Battleford and assuming nobody challenges me, I am now a local voter. Why cannot a resident of a regional park, the people I'm talking about who have no other residence, why can they not come forward and say this is my residence, it's the only residence I've got. I claim the right therefore to participate in local elections?

**Hon. Mrs. Teichrob:** — Mr. Chairman, you know, I agree that there are some inequities in this, but on the other hand, these properties are leased. The improvements are assessed and taxed as of last year. But if you, for instance, own . . . if you lease a lot in a provincial park that's located within a rural municipality for example, you don't have a vote by virtue of that lease. And so it's . . . regional parks are not being . . . the residents of regional parks are not being singled out by virtue of different kinds of property ownership. There are, from time to time, people that are disenfranchised by that, but it's not limited to regional parks, and I guess there is no perfect system.

But we'll continue to listen to representations, and if there seems to be a solution that's reasonable . . . of course it's a goal to have everyone, as many people as possible, in a democracy enfranchised to vote. But there are some situations related to land tenure where it's administratively not possible to make it fair, and so I guess if you have to have fairness on one side or the other, you'd rather err on the side of discretion than having people who are not entitled to vote — clearly not entitled to vote — vote.

**Mr. Hillson:** — Mr. Chairman, another issue I'd like to raise is I understand that in many cases the department feels it would be appropriate for some of our smallest villages to again

re-amalgamate with their surrounding RMs and that that would be the most efficient way.

And I understand that one of the things that is preventing rural municipalities from integrating their villages into them is the problem of underground tanks from long-defunct service stations. And I understand that none of these have actually caused any problems, but there is a potential legal liability which the communities are told could amount to a very, very sizeable bill — the sort of bill in the tens, if not even the hundreds of thousands of dollars, the sort of bill that no small village with little tax base left could ever possibly absorb. And of course no rural municipality wants to volunteer to assume that liability when they don't even know what their liability might potentially be.

So I want to ask, Madam Minister, if she agrees that this is the direction that some of our smallest villages will have to go and if she agrees that the buried tank issue is one that needs to be addressed to facilitate that.

**Hon. Mrs. Teichrob:** — Mr. Chairman, certainly this is an issue that we have identified some time ago. And of course we're not actively encouraging villages to go into dissolution and to change their status, but certainly in the cases of some communities that have declining populations, it is their wish. So we have worked out . . . we're working with SERM (Saskatchewan Environment and Resource Management). Obviously as you know, this is the Environment and Resource Management department's issue and their legislation.

It's not confined to buried gasoline tanks from long abandoned service stations. There could also be the situation of a lagoon for the village that might be suspected of leaking and, you know, other works like that.

So we're working with SERM on a protocol that would affect a transfer and limit the liability in these kind of cases. Because certainly if that's the wish of the people in the area, to combine their administrations, we wouldn't want that kind of regulation and that kind of liability to be in the way. So we're not there yet, but we're making progress on it.

**Mr. Hillson:** — When do you think we could anticipate this protocol?

**Hon. Mrs. Teichrob:** — Mr. Chairman, the ball right now, if you like, is really in SERM's court, and I'm not sure. We're told there is progress, but I would have to ask you to direct that question to them.

**Mr. Hillson:** — Madam Minister, when . . . went into reassessment last year, of course the plan was that there would be a three-year reassessment so that we wouldn't get ourselves into the situation of a hopelessly outdated assessment ever again. Is the three-year reassessment still on track? Will we have a reassessment in the year 2000 and the continuing three-year rolling reassessment, or will that not be achievable?

(2200)

**Hon. Mrs. Teichrob:** — Mr. Chairman, we certainly hope that that will be achievable. What it turns on is whether or not we

can have the finalized information to do the modelling, to set the percentages of value, and the other things that we have to do early enough, before the year 2000, to do that. And we would need to get not just the information from SAMA, but we would also need to get the information from each of the — currently six municipalities, perhaps soon to be seven — who do their own assessments.

So we would need to have the information from all those sources. Because we don't want to get ourselves into a position like we were last year where we were making, even at this time of year, into the end of May, retroactive legislation for the year that we were currently in, even after municipalities had set their mill rates. And certainly didn't give the Education Department . . . with respect to their distribution formula for their foundation grant — they just didn't have enough lead time to do that.

Well we can do this in the context of Committee of the Whole I guess when we bring those Bills back. But what we've done is move some of the deadlines, the time frames, into regulation, so that if we find when the House for instance is not sitting, during that time of the year, that we're not going to get the information soon enough and we're going to be trapped like we were last year, making retroactive legislation and so on. We would then have the ability, the flexibility, to invoke those changes, but it's not our wish. We wish to go ahead in 2000 and we still think that we will be able to, but we felt it necessary to provide an option for a plan B if needed.

**Mr. Hillson:** — If I may turn to the provincial library system, Madam Minister, of course a bit over a year ago, a year and a half ago, we had a new provincial libraries Act, of one of the purposes of which was to make participation in a regional library mandatory for all municipalities. And I would like to ask you whether all municipalities have in fact signed agreements with their regions, and if not, how many are still out and what is being done in that regard?

**Hon. Mrs. Teichrob:** — Mr. Chairman, good progress is being made on the agreements, and I'm told that there are between 5 and 10 per cent that as yet have not entered into an agreement.

**Mr. Hillson:** — And what about those who have entered into agreements but have not in fact paid their levies; are there a significant number of municipalities which fall in that category?

**Hon. Mrs. Teichrob:** — Mr. Chairman, I'm told that there are . . . that most of them are paid. There are a handful, a very small number, that may not have paid to date.

**Mr. Hillson:** — And, Madam Minister, are grants being withheld from those municipalities which have not paid a library levy, or what other steps are being taken to ensure that all municipalities will in fact participate in the provincial library system?

**Hon. Mrs. Teichrob:** — Mr. Chairman, we do not have the ability to penalize, if you like, municipalities through offsets in revenue-sharing grants or other fund transfers. We still continue to believe — it's still a relatively new regime; it's only been in place for a short time — that cooperation and moral suasion are a preferable way to go. And since there are a very small number

of issues still out there, we hope that they will be resolved in that way.

**Mr. Hillson:** — How many applications do you have for changes of regional library boundaries and for changes from one region to another?

**Hon. Mrs. Teichrob:** — Mr. Chairman, to my knowledge there are only three and those three are in a group in a geographical location and they all wish to make the change from one library to another.

**Mr. Hillson:** — How are those being handled, Madam Minister?

**Hon. Mrs. Teichrob:** — Mr. Chairman, the procedure that's been set out in the Act is being followed. Notices . . . there's a requirement for notices and so on and that is in the process.

**Mr. Hillson:** — Mr. Chairman, Madam Minister, I understand that the cities of Regina and Saskatoon, in addition to receiving their regular library grants, receive another grant over and above the regular grant in recognition of the fact that they are providing resource services to the province as a whole.

And I'd like to know how much those grants are and whether there's any consideration to expanding that to include other regional centres where the city library provides services not only to the residents of that city, but to a larger region the same as Regina and Saskatoon do.

**Hon. Mrs. Teichrob:** — Mr. Chairman, I'm sorry I don't have that breakdown with me. What I do know is that in last year's budget \$170,000 was added to make an adjustment in recognition of the large number of interlibrary loans and the large number of non-residents in terms of, you know, university students and so on who come into Saskatoon or Regina to use the libraries.

On the other issue, the regional libraries made, after some extensive consultations and meetings amongst themselves, a recommendation for a changed funding formula for regional libraries, which would take into account the factors that the member is mentioning. And I'm not sure if I have that number here right now, but we did increase the funding for libraries to make sure that no library . . . no regional library, would receive a decrease. And that would represent an increase. I don't see it here, but it's here somewhere — \$4.5 million roughly to . . . (inaudible) . . . So that represents the increase.

And it was based upon . . . The recommendation that they made, based on stable funding, would have taken money away from some libraries and transferred it to others. And we agreed with their rationale for the revised formula, but we didn't know how it would be received if some libraries actually received a cut. So we put in enough to implement their formula and make sure that no one got reduced.

**Mr. Hillson:** — Madam Minister, I don't have very many more questions because I understand the hon. member for Athabasca has a few questions for the Minister of Northern Affairs which are eagerly anticipated by the people who live north of 55. And I'm sure you'll look forward to that as well, Madam Minister.

But before we get to the main event, if I could ask you again on libraries. I understand that the provincial library system has purchased a software program — printer, library loan — known as InterLEND, and distributed it among the regions. I see, Madam Minister, you're nodding your head so I'll just carry on if I may.

And I'm further informed that, although this software package comes from Manitoba, that libraries in the province of Manitoba are giving up on it and that it has in fact not proven satisfactory. And I would ask you if the provincial library system is satisfied that the company involved will be able to provide back-up services for the InterLEND package, and whether or not it will be satisfactory for our needs?

**Hon. Mrs. Teichrob:** — Mr. Chairman, I'm not aware of any problems that the member refers to. It's just a matter of weeks, not a long time — it would've been during the month of May — that I attended the library conference, which included participation from Saskatchewan, Manitoba, and the Dakotas.

As far as I'm aware the InterLEND software has been well received, and no problems have been reported to me.

**Mr. Hillson:** — And do you think the necessary back-up services of the company in Manitoba are in place and that we can be assured that there shouldn't be any problems in that regard?

**Hon. Mrs. Teichrob:** — Mr. Chairman, I certainly will make some inquiries from the Provincial Library based upon the member's questions and if I do find out some information relative to the question, I'll convey it to him.

**Mr. Hillson:** — And the last area in libraries I wanted to ask you about, I understand that the provincial system is no longer providing special services, special resources for the visually and hearing impaired. We had, earlier in this province, services in Braille, and talking books were normally provided through the provincial system. Now that is being abandoned and the regions are being thrown to their own devices to provide to the special needs of the visually and hearing impaired.

**Hon. Mrs. Teichrob:** — Mr. Chairman, I'm certainly not aware of any cut-backs in services in those areas from the Provincial Library. Whether some individual library — municipal libraries or regional libraries — has made those decisions, I'm not aware, but the Provincial Library has not reduced its services.

**Mr. Hillson:** — Well, Mr. Chairman, if I could ask Madam Minister to check into that. Because my understanding is that the Provincial Library is cutting back on its services to special-needs clients.

And the problem is that for the regions: (a) costs are high; and (b) the number of clients is very low. And they simply don't have the resources to provide a lending library for the small number of people they would be dealing with. So it's one of those cases where the only practical way to have a resource library is on a provincial basis so that clients in individual communities will have a library of sufficient numbers. If the regions purchase, they simply will not have much selection and

there will be very few titles. So I would ask you to check on what resources are being provided by the Provincial Library for special needs clients.

**Hon. Mrs. Teichrob:** — Mr. Chairman, I certainly will make some inquiries and check into that. But it would seem that it would be contrary to the services that we've attempted to put in place where there's, if you like, a seamless catalogue of all the resources that are available in the province. But I will attend specifically to the point that the member raises and communicate with him when I inform myself.

**Mr. Hillson:** — Thank you to the minister and to your officials. And as I say, now to the main event.

**Mr. Belanger:** — Thank you, Mr. Speaker, Deputy Speaker. I almost feel like the Michael Jordan of politics. I have the opportunity of taking on two ministers this evening — the Minister of Northern Affairs and certainly the Minister of Municipal Government.

Mr. Speaker, the people of northern Saskatchewan have for many years been a very proud participant of the Saskatchewan community and they believe in challenging life in every arena. They believe that they have to be professional in business, that they have to be personal when it comes to kindness, they have to be understanding in some of the hard times, but above all else, like all great nations, we do not want to be a burden to the province. We want to simply work for the greater destiny and certainly the greater future of our children.

And I stand up this evening to basically speak about some of the challenges in northern Saskatchewan for both ministers — Municipal Government and Northern Affairs ministers. And I say with all honesty and genuine concern, Madam Minister and Mr. Minister, that we want to have some resolutions, resolutions to some of these pressing problems that have been very apparent for the past 20 to 30 years. And I say again, Madam Minister; these points are the people's words.

I was sent here three years ago to present the message to your government that the people of the North wish to become full partners, that they do not wish to become an area that is forgotten. They want to be partners when it comes to decent highways, to decent housing, to decent opportunities for their young people.

(2215)

We must strive continually to try and make them an integral part of our province. And that has been the message that I hope I have consistently presented here this evening. As the evening progresses, I also want to explain, Madam Minister, that there are people out there in northern Saskatchewan that may be watching this. I don't have a number, but I certainly hope that there are some people out there watching this. And they will certainly take a lot of interest in some of your comments and certainly the Minister of Northern Affairs' comments because, nowadays with technology, information from the Assembly here certainly gets beamed directly and immediately to a lot of these northern communities, so they are watching.

Madam Minister, I also urge you, you and your colleague from



Cumberland, to not throw in the federal Liberal argument. I think we're at a point here now that we're senior politicians that people look to for advice, support, and they look for genuine progress to meet some of their ongoing needs. And I say that again out of respect and to also indicate to you that we have a five-page document highlighting the federal contributions to northern Saskatchewan.

Now what I don't want to do is I don't want to stand here and defend the federal Liberal government all night, so I'll encourage you to keep this particular debate and this particular discussion basically from the provincial perspective.

Granted I will work very hard to continue ensuring and pressuring governments that they continue committing to northern Saskatchewan and perhaps doing more. That we understand. I think it's a professional understanding as to what we're trying to do this evening. However as they say in curling, I'll keep the hammer for the final throw in the event we need to keep ahead of the game.

Madam Minister, I guess my first question would be to the Minister of Northern Affairs. Mr. Minister, this afternoon or yesterday we proposed a concern to you from the native veterans, and you had a letter indicating that there was some concern from a Frank Tomkins of Saskatoon. And Mr. Tomkins wrote you a letter on February 17 asking you for a small donation to have an annual meeting so that they're able to simply get all the Metis veterans together and certainly to talk about some of their challenges.

I understand that a lot of work being done by the Indian veterans association is certainly progressing, and they're certainly doing things comfortably on their own, and they again are always working with governments to ensure they have that continual dialogue and support.

The non-aboriginal veterans again, does not matter what origin, these veterans have contributed and served their country. To the Minister of Northern Affairs, the Metis veterans feel forgotten. And the one question we have here, Mr. Minister, I'll briefly read it out for you is — Mr. Tomkins simply indicates, quote:

I hope that in the future our politicians will not forget that it was the veterans of Canada who helped save us all from fascism. Hopefully they'll throw us a few crumbs from their plates so that we can live our remaining years in some measure of comfort.

Mr. Minister, what is your response to the request from the native veterans association as . . .

**The Deputy Chair:** — Order, order. I've listened to the hon. member for Athabasca asking questions. And in looking through the Municipal Government estimates I'm frankly having trouble relating the questions to the question before the committee. And I'm wondering if the hon. member could tell me which subvote this falls under. Before seeking a response, I wish to point out that yesterday we voted off the Office of Northern Affairs under Economic and Co-operative Development. So if the hon. member can tie it in to a subvote in Municipal Government, then certainly the question is in order. But I've not seen the connection.

**Mr. Belanger:** — Thank you, Mr. Deputy Speaker. I guess the point I'm trying to make is to the Minister of Municipal Government . . . Many of these veterans live in some of the municipalities in northern Saskatchewan. What kind of assistance or support can they expect from the government?

**The Deputy Chair:** — The Chair is having a bit of difficulty. I think the government Deputy House Leader has some help.

**Hon. Mr. Shillington:** — Mr. Chair, your comments are well taken and apt. I'm not sure that these questions do come under the estimates of Municipal Affairs. So I think your comments are well taken. However, there was discussion among the House leaders earlier in the evening and I think it was agreed that we would use this venue for the member from Athabasca to put questions to the Minister of Northern Affairs.

So while your comments, I think, are correct, we do have an understanding and I think we are prepared to permit the member from Athabasca to proceed with this line of questioning. It was subject to an understanding and I apologize, Mr. Chair, for not having made you aware of the understanding. I think perhaps we should have.

**The Deputy Chair:** — I thank the Deputy Government House Leader. I'm going to ask for leave of the members to allow this to happen. Is leave granted to the member for Athabasca to deal with these issues? That's agreed.

Does the member for Athabasca wish to make a final question, comment, or is it to the minister to respond?

**Mr. Belanger:** — Thank you, Mr. Speaker. I guess the question I have is for the Minister of Northern Affairs . . . and I certainly appreciate the cooperation of the House as many of the overriding issues of northern Saskatchewan certainly involve housing, municipal governments, health care, and highways. And certainly as Minister of Northern Affairs, he certainly has a lot of influence in that since that's his jurisdiction.

And many of the letters we have here have been addressed to him, Mr. Deputy Chair. So the question I have again in relation to Mr. Tomkins, when can the Metis veterans expect and certainly deserve some kind of recognition from the government?

**Hon. Mr. Goulet:** — In relation to the question, Mr. Chair, the letter that was sent from the National Aboriginal Veterans' Association had this to say when they wrote the Minister of Veterans Affairs, Fred Mifflin. When they wrote a letter to the federal government, this is what the letter said to the government. This has been a reply of the federal government where . . . this is a proper issue and the proper channels of where the National Aboriginal Veterans' Association had sent this letter to. This is what they said:

So far the responses have been negative but I must stress the association's dismay with this result.

They also say — about the federal minister — Mr. Mifflin is adamant that Veterans Affairs cannot assist the association. I know that the member said that we shouldn't raise issues and blame the federal government but it is clear that the association

here was trying to get money from the federal government.

The Metis people and all people of Canada fought and died for this country. Many of them came back to try and make a good life for their people. And in regards to the particular instance here for Metis veterans, I had mentioned in question period their contributions in regards to what they learned in Europe they brought back in the development of institutions in the North and throughout the province. And they have helped out in many ways through the legions, etc.

And it is sad that after all the contributions that the federal government is unable to provide the money. I am therefore proposing that I'll be making a commitment on sending a letter to the federal government. If the member wants to join me from the other side, to have the federal government partner some help in regards to the proposal that was made in the letter, that would be very helpful. So the province of Saskatchewan is prepared to help the veterans.

In regards to that, Mr. Chair, the children of the veterans, in terms of education, the Saskatchewan government is the only government in Canada that has provided \$3 million worth of training for the children of the veterans. We don't see that in Manitoba or Alberta. We see it in Saskatchewan.

As a matter of fact the history of the Metis veterans, when the book came out last year, under Gabriel Dumont Institute, the history was created through that institution provided from funds from the province, and the book was released this past year, and I think you were there as well at that special occasion.

So we are prepared to something about it. So I would like to talk to you, maybe later on, to find out what partnership you may have, as a member of Athabasca with the province of Saskatchewan, in creating a partnership with the federal government to help and work with the Metis veterans. So I would like to hear from you as well on what you think of that idea.

**Mr. Belanger:** — Thank you. I guess the point I'm trying to make this evening on that one minor issue that certainly has some bearing on the municipal matters here is that again as I mention, Mr. Speaker, the Metis veterans have a number of concerns about health care and other issues. They want to meet so that they can discuss this issue as a group and then bring their concerns collectively to the government.

However, many of these war veterans live on small pensions, many live in isolated areas and simply can't organize such a meeting without assistance. And what they're asking from the provincial government is that there's some way, shape, or form that they can get a small grant to help them organize to bring forth their concerns. That's their argument, and provincially they're asking the provincial government to come along and contribute in that fashion so that they're able to do that on a collective basis with the federal government.

And I think if you can find \$300,000 for a severance package, certainly you can find a small amount of money for our Metis war veterans. Next time we have a discussion, Mr. Minister, I'll certainly look forward and I'll relay those concerns to our Metis veterans.

Now, minister for Northern Affairs, I wish to make a brief address on the northern housing initiatives we feel are very important, Madam Minister. As you're probably aware, there are many housing problems in the North. You have been privy to many of those discussions and you certainly have been made aware of some of the challenges when you talk about northern Saskatchewan.

Madam Minister, the people up North are not asking for much, but what we do need, Madam Minister, is we need a comprehensive housing strategy which must address the following points, and I make these points as Municipal Government, as Municipal minister you are responsible for housing.

Number one is we need a provision for senior-specific dollars for renovations to private homes. Last year we done an assessment, Madam Minister, and we brought you names of 257 senior citizens from Pinehouse, Canoe Lake, La Loche, Buffalo Narrows, Ile-a-la-Crosse, Beauval and so on and so forth. There are approximately 257 senior citizens living in their own homes that need some type of assistance, Madam Minister. And I realized that at that point in time I did give the Minister of Northern Affairs that complete list. Could you somehow try and help these people?

And I believe from that perspective, Madam Minister, all that was done is these people were sent a RRAP (residential rehabilitation assistance program) application form. And, Madam Minister, many of these senior citizens do not read or write very well and a lot of times they have trouble following the processes of application for renovations to their homes. So we need to concentrate on a senior-specific strategy. And we also make it known that there are that many senior citizens living in northern Saskatchewan in their own homes.

(2230)

And before I sit down and take my place for your response, Madam Minister, there are other issues we want to raise in this housing strategy, and we'll do it issue by issue. However the key thing I want to point out, Madam Minister, is that these senior citizens don't want \$30,000 or \$40,000 worth of work done on their home. They just want basic insulation. They just want basic windows, basic doors, and a decent floor. And this is not an incredible amount of money to ask for.

And while I realize the response is going to be, we contract Provincial Metis Housing Corporation to do this type of work, many times there's one guy working for 50 or 60 or 70 clients. And quite frankly that's too much of a workload for this individual. And as a result, some of the seniors do not get the attention that they deserve.

Couronne Janvier from La Loche has been phoning me on a constant basis. She lost her husband two weeks ago or a month ago. She's another example of how many times she's waited. And she's been asking for this type of support. When we talk about people that have paid for their homes — people like Jonas Daigneault, people like Daniel Daigneault, and people like . . . well the list goes on. I think Clement Daigneault is another individual that have paid their dues and certainly waiting for some of their work to be done on their homes.

And these are exactly what we are talking about, Madam Minister, is that seniors in their last few years — I don't say that few years by two, but I mean the last 10, 15 years of their life — should be able to live in relative comfort in their own homes. Could you give me a response to that, Madam Minister?

**Hon. Mrs. Teichrob:** — I can only offer some information to the member opposite about what is in the budget for northern housing delivery this year. There's the remote housing program. There will be 20 units there, a million dollars. There's a rental market housing program; it would be 40 to 50 units for \$1.8 million. The social housing program is 40 new units again, \$3.2 million. There is the RRAP and the emergency repair program, a million dollars — 140 homes will receive assistance there.

The repair and maintenance budget for the existing portfolio, which is 1,200 rental units and 600 units that are owned where the mortgages are still outstanding, is 8.5 million, and the mortgage discount program which was announced last week when we were in the North at the round table meeting, at 1.6 million.

So that's a total, Mr. Chairman, of \$17.1 million in this budget year to be allocated to meet the needs for housing in the North. It's 100 to 110 new units in total, and 140 units will receive renovation assistance.

Now some of these are for seniors; not all of them are dedicated to seniors, but they're all to meet northern housing needs. And considering the fiscal situation, Mr. Chairman, this is a significant contribution to meet the needs in the North for housing.

**Mr. Belanger:** — Thank you, Madam Minister. I guess the point I'm trying to make is that I want you to be aware, fully aware, that many senior citizens need extra help and extra assistance. And while I appreciate the endeavour here to explain what programs are being spent, it still does very little to ensure that people that I have mentioned in that particular category are getting the specific help that they need.

So I would urge you to look at that option. Perhaps instruct your officials to look at ways and means in which we can alleviate that particular problem in northern Saskatchewan. And that's primarily what we are asking for today.

And the second issue I want to raise is an examination of the possibility of a housing package geared for working families similar to the remote housing program, ensuring that housing prices reflect the true market values. Many times in these northern Saskatchewan communities, people that traditionally start in the social housing program, they're a young family. They're not working yet, and they need a home for their family, and they eventually get one through the government programs.

But what happens when that individual or that individual and the wife begin to work, the more they earn of course the more they pay. And of course that's discriminatory against the working people and really hurts the working people. And as government up here, we should do everything possible to try and accommodate those people that wish to work. And I have 20 if not 30 examples of different people that really wish to buy the home off the government at a decent market value price.

Now I put the question to a number of ministers in the past, would you pay 90 or \$100,000 for a home in Ile-a-la-Crosse or St. George's Hill where the market doesn't exist for resale? And would you also pay the interest associated with that particular mortgage?

And I feel that the precedence we're setting here is with remote housing program. The remote housing program, as you are probably aware, kind of accommodates that particular challenge. So what happens now is you have people living in government housing that really want to own their own homes, and they're saying, well the people that are on the remote housing program, they get the initiative. They get the opportunity.

We should be able to have that same opportunity because, Madam Minister, there's a lot of people, especially in Buffalo Narrows, young families that are starting up, and they want to go to work. I have the list for you, Madam Minister, and they really want to begin to become their own bosses, control their own destiny. And they wish to buy these homes.

So my question to you, Madam Minister, is there any way — and if there's a will, I believe there's a way — that we can look at a program geared to turning over existing stock of your portfolio to the remote housing concept that we have been seeing happening in these northern communities? And if so, great. We look forward to hearing your comments. If not, why?

**Hon. Mrs. Teichrob:** — Mr. Chairman, the member may not be aware of the announcement that we made, one of three housing announcements that we made at the round table in La Ronge last week, where one of them is a mortgage discount program which puts the two different types of property owners on a level playing-field, and we've allocated \$1.6 million to do that equalization.

The other issue, if the member will think this through carefully, is that yes the rent in those units is set at 25 per cent of the income. And so obviously, if you're for instance on assistance and you get a job and your income is increased, then your rent increases. But so does your ability to participate in the remote housing program.

And if you took those existing units that are meant for, you know, rent geared to income, for low income families, and you sold them to people who were now working and had the ability perhaps to service a mortgage in a new house in the remote housing program or one of the others, where would low income people live?

The occupancy of those social housing units that are rent geared to income are meant to have a turnover that when people have low incomes and they have a need for that kind of housing, that those units are there for them. But if they're sold to people who have the ability to participate in another part of the portfolio, then there's no place left for low income people to live. So I think if the member thinks it through carefully, he will realize the answer to his own question.

**Mr. Belanger:** — Thank you. What we're trying to stress here is that those people that are living in current housing stock owned by the government, by the province, they are looking at

trying to own their own homes.

There's been a number of examples. Your officials are probably aware of the examples of people trying to buy their homes. What they're not going to do, Madam Minister, is they're not going to be paying 80, 90, 100, 150,000 for these homes.

So what they're saying is: I'm living here; I have a chance for an employment opportunity; I want to buy this house; I wish to have it under the similar program as the remote housing program and yet I'm unable to do that.

And yet right next door to me is individuals that have taken advantage of the remote housing program and are now living in a nice, brand-new home. Great for them; I'm happy for them. And yet that same opportunity is not afforded to us, primarily because we still live in a government house.

So in the event that you do sell these units, where you save is much similar to the remote housing program. The remote housing program is indeed a very good concept, primarily because it allows home ownership for a decent price. It puts the emphasis on home owners to maintain their taxes, maintain their homes, and to quite frankly have pride in their own belongings, and to also earn as much money as they wish. Now to me I think that is the whole concept, you know, behind the empowerment of people, communities, and ideas that we speak about.

So when I talk about where could new dollars come from, well the establishment of a northern housing fund for the purpose of constructing new housing and repair . . . and continual flow of dollars for repair program from the proceeds of such sales, from the proceeds of some other sources of revenues that we can identify in northern Saskatchewan as time goes on.

I think you will also see that there could be some administrative savings as a result of non-payment of taxes for some of these homes, because it would become the home-owners' responsibility. The maintenance of some of these homes would also be lessened.

So there could be some significant dollars generated, Madam Minister. And all I'm trying to impress upon you is that there has to be some way, shape, or form that we can encourage the working people living under the social housing programs in northern Saskatchewan, the ability to own these homes at a decent market price similar to the concept behind the remote housing program.

And those are some of the comments I have for you this evening, and I'm looking forward to your response.

**Hon. Mrs. Teichrob:** — Well, Mr. Chairman, I'm glad to hear the member opposite say that the remote housing program is a good and positive program because we believe it is. And the average cost of style of house that has been going up in the last couple years is the three-bedroom house with the raised basement so that there is room for expansion in the lower level, and that that house runs approximately \$70,000. And with the mortgage, the financing arrangements we have and the sweat equity, it's very affordable for even a relatively low income working person.

So we are spending \$17.1 million in the North this year on housing. And while, you know, it may never be considered enough because we know the needs are great, we think that it's a very substantial contribution.

**Mr. Belanger:** — Madam Minister, I couldn't agree with you more that it is a substantial contribution. And what you're trying to do is you're trying to stimulate conversation on how we can accommodate some of the problem areas of housing in northern Saskatchewan. And certainly you look at the situation, when we talk about remote housing program, a good example is . . . you start off with a \$300,000 fund, say, exclusively for Buffalo Narrows for example. And you say, okay we have \$300,000 here. Why don't we get some matching contribution from six people of their \$300,000, and we could build ourselves six homes.

Madam Minister, \$300,000 from government alone will not build six homes. I understand that, and I respect that. But what if you were to challenge private citizens to come up with their contributions as you have with the remote housing program, and all of a sudden \$300,000 becomes \$600,000. And then the savings over a period of 10 years by these home-owners maintaining their own taxes and their own homes could eventually come to a million dollars over a period of time.

So that's the unique concept behind the remote housing program. You save an incredible amount of dollars on administration, on taxes, on maintenance, etc.

So I think the concept certainly deserves a lot of merit. I think we have to look at that because the more we foster private home ownership in the North with true market values, the better off we are as a people. And then every working family, every working man can work and earn as much as he wants or she wants. The sky is absolutely the limit when it comes to earnings.

Nowadays it discourages people from working. You know, if you're going to pay \$800 in rent, the more you make, then obviously it's a disincentive. So we talk about disincentives in northern Saskatchewan. Housing by far is one of the chronic problems of trying to develop an economy in northern Saskatchewan, the shortage of housing and certainly the non-specific programs geared towards the working family. And the remote housing program is a fine example, a fine example of how to accomplish that.

And, Madam Minister, the other two items is the devolution of more control of housing for the local level through the housing authorities. I think it's an incredible step forward for Sask Housing Corporation to set up these local management boards, because what you have in essence, you have your own people patrolling if you would, for a lack of a better word, their own tenants.

All of a sudden it's not government. It's not somebody from P.A. (Prince Albert) or somebody from Saskatoon telling you, you better sweep off your steps or you better maintain your yard or fix your fence. It's local people saying if you don't maintain your yard, if you don't fix your fence, we'll do it for you because that's part of our portfolio, and we'll charge you for it. Now that's promoting and fostering responsibility.

(2245)

So certainly, I think, the devolution of more control of housing decisions of the housing stock has to come to the local level. When you start to empower the local people to make these choices, imagination and innovation and certainly responsibility would be the end result.

I think the other matter is the encouragement of homesteading. You talk about people in northern Saskatchewan want to develop their own homes away from communities. That would also diminish the demands for housing in northern Saskatchewan. And by homesteading, we can look at things like the RUD (rural underground distribution) program that you had under SaskPower a number of years ago, whereas you connected farm houses in certain areas that were isolated from the regular electrical grid system to homes that were off the way or off the beaten path.

A lot of people in northern Saskatchewan — I would hazard maybe 200 people — would look at moving into homestead plots or certain areas within the forest to try and develop their own homes.

So can I have your comments on those two points?

**Hon. Mrs. Teichrob:** — Mr. Chairman, the last issue first I guess, is that apparently some of what the member refers to as homesteading is taking place in the area around the community that he lives in. And this is an issue that would likely be well raised in the context of the New North, the new organization or young organization of the leaders of the 35 northern municipalities that we have tried to encourage. As well, we continue to work with the housing committee of the New North on housing issues.

I'm glad that the member opposite appreciates the effort that Sask Housing has made to devolve responsibility for the maintenance and management of the northern portfolio to local people. There are about eight community-based organizations. There's housing authorities right now that manage over 1,000 social housing units in the North. They have a staff of about 24 or 25 people, and as well, a growing percentage — it's over 70 per cent now — a growing percentage of the repair work and construction in the North is being done by northern contractors, creating employment there.

So all in all, while there's always more to be done, the housing picture for northern residents is becoming brighter, I believe.

**Mr. Belanger:** — Thank you, Madam Minister. And I have a letter here. This basically explains exactly what we've been talking about and it's from a lady in Beauval. Jolene Malboeuf writes, and I quote:

Dear Mr. Belanger: I'm writing this letter in regards to northern housing's policy, which requires 25 per cent of a person's gross wages. It seems that this policy only benefits the low income residents. What about the middle-class citizens who are trying to get by but find it difficult because of this policy? People who are just starting off or making sufficient salary, it seems, are thrown back because of the 25 per cent gross pay. I was

just wondering if something can be done. Sincerely, Jolene Malboeuf.

And I guess that kind of hit, in a nutshell, Madam Minister. Some of the statements she makes there really hits home, some of the problems that she's facing in Beauval. And certainly I got this letter in the mail from her and we talked to her at great lengths in terms of some of the challenges that all people that are working in northern Saskatchewan face.

So I'm glad you're taking a special interest into that, Madam Minister, and I certainly am looking forward to some of the ideas you may have within the next six months, a year. Do you have any idea as to what time frame you're looking at for sufficient and certainly proper movement on some of these challenges that I've addressed here this evening in terms of housing?

**Hon. Mrs. Teichrob:** — Mr. Chairman, these are issues that we continue to work through, as I said, with the housing committee for a New North. I just want to make a brief reference to the problem outlined in the letter from a constituent that the member raises is that this is an issue not just in the North, but all over Saskatchewan.

But you must remember, when people talk about social housing, people that are not aware often have the impression that our social housing portfolio is occupied by people, low income people who move in and stay there. And actually the turnover of tenants in our social housing portfolio is actually very high because, of course, as the member pointed out, people move in when their incomes are low, when they're young, when they're starting their families, whatever the case may be.

And when their circumstances improve to the point where the 25 per cent of their gross income represents more than a market rent, then they move out and make that unit available for someone else who is in a low-income situation. So it is very important that as people's circumstances improve that they're able to move into another form of housing and make those vacancies available for others who need it.

**Mr. Belanger:** — Thank you, Madam Minister, and that's the point — when you raise that — the social housing program has a role to play. I understand that and I accept that. But certainly when you say a person's economic position improves they move out but the question you have is, where do they move out to?

I think the key thing is, at the very least, that some of the people that are living in your units that begin to work — that begin to work — are really taken and sat down with and consulted as to what their options are with that particular home. And there are thousands of examples, Madam Minister. I'm not exaggerating here. How people in that particular situation when you talk about innovation and . . . (inaudible) . . . when it comes to housing, this is exactly what we're dealing with here.

Some people are trying to get ahead. They find a job, they go to work at the mine site or they go off to school. And all of a sudden they're offered a job somewhere and then their wife gets a part-time job somewhere, and all of a sudden the more they make the more they pay. So what happens now, they say we

can't afford this house because we're paying too much for it when somebody down the street that isn't working is paying \$110 and we're paying \$800 it doesn't seem fair.

So what happens is they say well, can we pay a ceiling rent. Can we pay say 400 a month? That would be a fair rent for some of these houses. And the answer is no. We're stuck with 25 per cent.

So what happens now is that family moves out, relocates, you know takes all their belongings and upsets their children's lives and then they turn around, and they try to live in a trailer or they construct a log cabin or they try and do something to find different accommodation. And what happens the government comes along, repairs that home at a cost, and then moves a family on social assistance there that only pays 110.

Now what is beyond me and beyond a number of working people in northern Saskatchewan is how can a family on social assistance afford that house, yet a family that's working cannot. That is the fundamental problem.

And you see, when we talk about the incredible statements you could have as a government . . . when you start talking about these people taking care of their own payments for the house, their own maintenance, their own taxes, the savings are enormous.

So I think the key point I'm trying to make again, Madam Minister — and I've got to stop using that phrase, the key point; I must say it about 50 times in a speech — is that some of these people really are concerned that they can't seem to get a handle on their housing problems. And they want the government to respond to these problems, a response that is deserving of their respect and their attention. And that is the critical, critical point they're trying to raise.

Now again, when we speak about housing, it's a massive problem. There's one thing I would like to be known as in terms as my role as an MLA, is a role that I think that every person can certainly talk about, is our battle with the housing situation. There's a shortage of houses, there's a lack of a program specified for senior citizens, and certainly it does not work for the working family.

So those three simple points. I'm sure we can put all our collective minds together here — because there's very intelligent, capable people — to try and come out with some kind of innovative, exciting, and quite frankly, a responsible housing strategy for northern Saskatchewan. These are some of the points that have been for the last 10, 15, 20 years, have been a sincerely sore spot with many home-owners in northern Saskatchewan. Would you care to respond, Madam Minister?

**Hon. Mrs. Teichrob:** — Well, Mr. Chairman, only to say to the member that if the circumstances and the income have improved to the point where the amount of rent that needs to be paid is 25 per cent of the income, it reaches over \$500 a month, then a conventional mortgage or a mortgage in one of our remote housing units can be serviced for that amount.

So I mean, I know, there's a disruption in moving, but we have to make our social housing units available for low income

people. And people who have higher incomes have other options — there's a remote housing option, there's the option to service a mortgage with 500 or \$600 — will most certainly do — and then there are the rental programs if they don't want to own. So I think we have to keep our eye on the ball about what the purpose of the rent-geared-to-income social housing units are, and they are meant for low income residents, Mr. Chairman.

**Mr. Belanger:** — I guess, Madam Minister, that's going to be something that we agree to disagree on. I believe that there's options available to us galore, all kinds of options that's available. And I'm afraid, Madam Minister, that I'm not too pleased with that response.

I can understand that there's a general shortage of housing in northern Saskatchewan — some mention of 600, and certainly that there's a role for social housing. I'm not denying that there isn't a need for it. I think there's a very prevalent need.

But what we've got to do as I mentioned before is we've got to find some kind of way in which we can collectively put in an exciting housing program to address these needs. These needs are not needs I've made up overnight, Madam, Minister. These needs are people that have signed petitions for from Uranium City, from Buffalo Narrows, from La Loche, from Patuanak, all over the place. When they talk about having the north become part of the province, they're talking about fairness, Madam Minister. And right now some of the housing policies and some of the housing practices do not promote independence of the northern people. And I want to make that point very clear this evening.

On another point, Madam Minister, I've also got a report of some of the smaller centres — and surprising housing is also a major issue amongst the smaller centres — primarily a lack of housing and certainly again, you know, the remote housing program's an issue.

And I say with all honesty that this issue is not going to go away. People will continue in pressuring the government and will certainly continue writing letters to us until we respond. We have to respond. We get a significant amount of benefits from northern Saskatchewan, and I can rattle off those numbers here tonight if you wish.

But, Madam Minister, we have to respond to this crisis in housing in northern Saskatchewan with the issues that are raised this evening; we have no choice. And if we don't respond, then the homeowners themselves will certainly respond. They'll begin a letter-writing campaign expressing some of their ideas and some of their concerns. So we need to make sure that housing remains top, on top of our lists.

And the second part of my presentation, Madam Minister, is again to you. I know the Minister of Northern Affairs can hardly wait for me to ask him a few questions, but we'll go to you first, Madam Minister.

As I asked for a study to be done in my constituencies of all the smaller centres: the Patuanaks, the Cold Bay, the Jans Bays, the Deschambault Lake — where I was born; not born but raised for the first five years of my life — and certainly Garson Lake,

the small hamlet of Turnor Lake. All these small centres certainly have a lot of challenge.

They have a very small operating income, and many times they're located next to a big first nations' town. And what happens is . . . many times like in Patuanak and in Jans Bay and in Cold Bay's instances, they lived next to these big first nations' populations. And the first nation's population is doing quite well. They have huge budgets, not huge, but adequate budgets to operate their homes. And you look at some of these smaller centres and some of their operating grants are 50,000.

And there's a surprising number of recommendations here, Madam Minister. This report took about a month to put together, and we certainly want to commend Mayor Morin of Jans Bay for doing this. And one of the interesting concepts he raised in the document is called "The Challenges of Governments for Hamlets and Settlements in Northwestern Saskatchewan", March 1998.

And one of the ideas and the solutions that they talk about is something similar to the SARM concept. And they have recommendations here, they have ideas, they have strategies, and a lot of these things are very solid recommendations, Madam Minister, and I want to share that with you. I'll send a report to you so that you're able to respond to some of these things.

(2300)

And right from the far North to Garson Lake and so on and so forth, a lot of the small communities' concerns are in this booklet. I've got five copies; I'm prepared to give you one this evening. Would you be able to commit tonight to meet with mayors and councillors of these small communities to address some of these concerns?

**Hon. Mrs. Teichrob:** — Mr. Chairman, last week on Wednesday, May 27, we had a meeting in La Ronge, a round table meeting. Representatives of many of the communities that you mention were present. We have every confidence in the leadership of those northern communities. The mayors of those northern communities, the committees of the New North association, the leadership that they have shown — we'll work through those housing issues with them. They've already made very many constructive recommendations.

As well, as we mentioned earlier, the management been devolved of over a thousand units to the local housing authorities and together we'll continue to work and develop policies that will help to meet the needs of the North in a positive way.

**Mr. Belanger:** — Thank you, Madam Minister. I'll have one of the pages come and collect this report and hand it to you. But I think again, the points you raised; I must certainly echo those sentiments that the northern Saskatchewan leaders have made — a lot of very strong points. The mayors and chiefs and councillors and certainly the everyday citizens have talked about some of the challenges eloquently, probably a lot better than I can. But certainly they have made those concerns and issues raised and known for the past 20 years. I'll now divert my questions over to your associate, your colleague from

Cumberland.

Mr. Minister, the issue I want to talk about is the northern power rates. As Minister responsible for Northern Affairs, I think some of the things we've been working on is the very high costs of power rates in northern Saskatchewan. So far, we've hit home on the small communities, we've hit home on the housing problems, and now the other disincentive in northern Saskatchewan is the incredible power or the rate of payment that many people in these northern communities pay for power. Sometimes the power bills are so high in these homes that it's almost like a truck payment. So when we ask you that question, I'll send a copy of the article that we have here, Mr. Minister, dated April 18 in which the headline says, Northern power bills high, Goulet ignores questions about costs.

Mr. Speaker, the question I have for the minister is that when you talk about power rates, in the response from the Saskatchewan *Hansard* of April 17, 1998 when I asked you the questions about the high power rates, these are some of the comments you made:

Mr. Speaker, in regards to the hydro — for example he mentioned the case in Cumberland House — actually there was a \$23 million settlement in regards to Cumberland and that agreement will be finished. The last payment was made of \$3.8 million this year.

Now Madam Minister, what that has to do with . . . or, Mr. Minister, what that has to do with power rates in northern Saskatchewan is totally beyond me. When you talk about power rates in northern Saskatchewan, I'm talking about right across the whole northern part of our province. I'm talking about Camsell Portage, La Loche to Pinehouse, right across.

And the settlement from Cumberland House is not a direct result of the high power costs. As a result of that answer are you saying, because we compensated Cumberland House, that's why the power rates are high? When one looks at the question here it makes that assumption.

And I think the fact is the reason why Cumberland House was settled is because a huge part of their economy was displaced because of the lack of water. The dam stopped the water from coming towards Cumberland House; the government compensated the community for that. That has absolutely nothing to do with power rates. And I don't think Cumberland House should in any way, shape, or form apologize for that. Their whole economy was debased because of the dam near Nipawin.

And I make another comment, Mr. Speaker. Another quote, sorry:

One of the offshoots of that development was the building of the famous Cumberland House bridge.

Again, what has the bridge got to do with the power rates of northern Saskatchewan? That bridge was built — \$2 million from the community, \$2 million from the federal government, and \$2 million from the provincial government. I believe those facts and those figures are correct.

And finally, Mr. Speaker, the quote that he asks, when he asked, about high power rates is:

As far as the power rates, Mr. Speaker, they are the best in Canada, I think, when you're looking at our rates.

We got so many bills, Madam Minister, to show that some of these are . . . Mr. Minister that some of these bills are extremely high, and this is getting a bit ridiculous. And again as a result of that we went back into *Hansard*, and for people's information back home, *Hansard* is the official transcript of this House.

On December 11, 1986, the member from Cumberland, and I quote, said:

When I mentioned the fact of compensation there was a lot of feeling about compensation and the fact that nothing had still come out.

So I'd like to read a bit on what Angus Bear has to say in regards to the issue of compensation question. Angus Bear states:

Maybe the government is afraid to pay it because he is penny-pinching. With all the money he makes in one year the powerhouse has paid itself a long time ago. I know this because it cost him 6 to 7 million. Today if he builds another dam it will cost him over \$100 million.

And, Mr. Speaker, again we can go on from quote to quote to quote in which the minister talks about power costs. And again I'll use another quote, Madam Minister, of December 11, 1986, in regards to another issue, Mr. Speaker.

A lot of people in Cumberland House and Southend in Sandy Bay have for many years raised the issue of compensation in regards to hydroelectric power development. Not only have they raised the issue of compensation, but also their experiences in regards to their input in the development of hydro. Before I would get into the compensation question, I would like to relate to the people in this Chamber some of the words of a person who had worked in the hydro-development project for over 40 years, in regards to the relationship that we talk about amongst ourselves.

And again another quote from April 5, 1988:

As I look at the question of power rates, one has to look and make a jump in regards to the overall strategy of the Saskatchewan Power Corporation in regards to the North.

Mr. Speaker, I think that the point I'm trying to make here is that we have in northern Saskatchewan, committed a significant amount of dollars to the well-being of this province. I believe the quote he made was \$325 million per year from the three northern dams. Yes, compensation was fair, and yes, compensation was needed. Sandy Bay should be compensated as Cumberland House was. These people were displaced.

But it's no way, shape or form, any excuse for the high power rates. And I'll ask the Minister of Northern Affairs for a response at this point in time.

**Hon. Mr. Goulet:** — First of all in regards to the power rates, I will basically still stick to the point that in Canada, if you want to look up the lowest power rates across Canada, maybe one other place might challenge us, next door neighbour in Manitoba.

And in many cases they have dammed a lot of their rivers all through northern Manitoba, which we would not like to see because of the effects of a dam, not only in Cumberland House but in Sandy Bay, where the quote came from in regards to Angus Bear, the late Angus Bear.

Now on the power rates, when I was growing up, on power in Cumberland, we started out with a coal oil lamp; later on we went to the gas lamp. And in the 1960s, toward the 1960s we started getting diesel. These diesel generators were a lot of money, and when SaskPower hooked up, it cut the prices down over the long run.

One may argue that the prices should still be cut but the corporations are basically under attack by deregulation internationally, but also with federal policies as well — not only hitting our deregulation in SaskTel but impacting our power system as well.

The Tories always attack our Crown corporations and make them look bad because they want to privatize. Some of the Liberals feel the same way. They're attacking our Crown corporations all the time.

I think that when you're looking at the Crown corporations and the rates, compared to, let's say, buying food, the food costs and the gasoline costs in the North are very high. When you're doing outboard motor and you're travelling around, the gas costs are very high. In some cases, it's twice as high in certain situations. The food costs are very high.

But when you look at the price for power, it's the same per kilowatt-hour up in the North as it is over here, whereas it isn't that way for the food. The food is way up higher. And also when you look at gasoline costs, it's way up higher. So one of the things is that there is a similarity throughout the prices in the province, you know, per kilowatt-hour.

And that was the basic point, you know, that was made in regards to what I said that we have one of the best prices in Canada.

All I'm trying to say to you is that attacking the Crown corporations the way the Tories do and the way some of the right-wing Liberals do isn't the way to make a proper argument. On your issue of doing facts, you said \$325 million. I don't know where you pulled that figure out from. It may have been gross revenue somewhere. But that's not the profit margin of the hydro projects, the hydro plants in the North. It's nowhere close.

The total profit SaskPower made two years ago was \$139 million. This year it's \$132 million. So how in the world could they make 300 million. How in the world could they make 300 million when the total profit for all the power in the province is 132 million? It's impossible. I don't know where you got the figure from of 325 million. The actual fact on what the profit is



for the hydro in regards to Island Falls and north up in the Athabasca region is \$7 million. So I thought I'd bring you that fact. You're throwing around that \$325 million figure. I don't know where you got it from.

So I think overall, while we would definitely like to see rates down for everything, we also have to look at the fact that it's a lot more fairer than what we have to deal with for example in food, where our prices are way higher than the South. And our prices for gas are way higher than the South.

At least on the power situation it's the same cost per kilowatt.

**Mr. Belanger:** — Thank you. I think the key point that I want to stress to you is that I got your documentation on the amount of kilowatts that are generated from the three northern dams — the one of course around Camsell Portage, the one by Sandy Bay, and certainly the one by Cumberland House. Those three dams generate an incredible amount of power on a kilowatt per hour basis.

And then if you multiply that by your kilowatt per hour charge, you can then see that quite frankly there is a large contribution that this particular region makes to SaskPower's network.

And the other fact is I got those figures, Mr. Minister, from the SaskPower annual report. And I would invite other people, other individuals, to research that.

And the other point is that in northern Saskatchewan the entire infrastructure in the far northern part of our province, right across to Sandy Bay, I believe, was paid for by the mining companies over a period of time because of the diesel rates and some of the costs of operating these lines. The entire infrastructure in the far North, especially, was paid for by the mining companies.

So there is profit being made off the northern dams. And, Mr. Minister, I can honestly say I don't believe in any way, shape, or form that they're \$7 million. And I agree again with the point that the kilowatt per hour charge is the same in northern Saskatchewan as it is in the South, but what's confusing to me is why does the North use so much of it. And I think the key point is that our homes are not properly insulated.

(2315)

And certainly conservation programs, and programs of other sorts are needed to reduce power consumption. That's exactly our point. Natural gas perhaps could be bought to northern Saskatchewan, north-west and north-east, and that in essence would reduce the power usage and consumption.

So I believe it's quite important, Mr. Minister, is that we stick to the basics here, that we stick to the idea that we want to make things different and make things better for northern Saskatchewan communities. That's why we're here, aren't we? We're here for that particular reason.

Now I'll leave the power bill issue alone for a while. And I got, as I mentioned, I got a whole stack of petitions that people have signed complaining about the power rates for northern Saskatchewan. And I've got about two or three points here, Mr.

Minister, and then we could certainly break for the evening.

The one point I want to raise before we go any further is the other major issue. Since we've talked about the veterans, we've talked about housing, we've talked about the power rates, the other problem of course is highways.

And I done an inquiry from one mining company, one mining company, and I asked them — which is public information — I asked them, what do you haul in terms of your trucks to Cluff Lake, on Highway 155? And of course Highway 155 is from Green Lake to Beauval to Buffalo Narrows and north. And they hauled 260 tonnes of explosives; they haul 12,207 tonnes of diesel; they haul 384 tonnes of gasoline; 103 tonnes of kerosene; 5,106 tonnes of propane. Some of the chemicals they haul are 6,599 tonnes of bulk lime; 776 tonnes of sodium chlorate; 3,487 tonnes of sodium chloride; 17,046 tonnes of sulphuric acid; 131 tonnes of ferric sulphate. In total, Mr. Minister, from this estimate, that there's roughly 79,252 tonnes of chemicals, poisons, and supplies hauled on that Highway 155.

And yet there is very little effort being undertaken to rebuild that road. It's very dangerous. It's very dangerous for people. If you travel on that Highway 155 you'll see what we talk about. People with vehicles and cars and all this sort are having great difficulty travelling down these roads.

And a couple of years ago the member from the PC Party showed me some pictures of some of the roads in his constituency, and I'll tell you, we'd take those roads any day over our roads. So he had nothing to complain about. And besides when the PC's were in power — and that's probably why we're so deep in debt — they took care of their own.

Mr. Minister, I want to read a couple of the poems that we also have from the people of Patuanak. That's one road that has never been fixed. And I want to use these two poems, one by Tera Aubichon — she's a grade 9, 8 student. I'm sorry, she is . . . I'm not sure what . . . grade 8/9 class. And this is Tera's poem.

Highway 918 is a  
Road of disasters  
Leading to  
ACCIDENTS

Broken mufflers  
Cracked windows  
Are useless when  
They are ruined.  
Patuanak has had  
Enough of this  
We demand right now  
PAVE THAT ROAD!

Highway 918 by Janis Apesis

On a road from Beauval  
A car rolls over.  
It rolls and rolls  
Then stops!

The windows are smashed  
The people are hurt  
Nobody knows  
Where they are.

Dazed and confused  
They yell for help  
This is one story of Highway 918.

And, Mr. Minister, this was an article that appeared in the *Northern Pride* on March 24 and it is very eloquently written by a number of school kids in Patuanak, and I want to send you a copy of that. Again I'll have the page take a copy over.

And while he's here, I'll also have him take a copy of a letter addressed to your colleague, the Hon. Judy Bradley, from the Chief in Council of the English River First Nations on some of their arguments why that road should be fixed.

**The Deputy Chair:** — Order. I will remind the hon. member that use of member's proper names is not allowed in the Chamber.

**Mr. Belanger:** — Thank you, Mr. Deputy Chair. I guess I was reading from the letter, so I do apologize.

I wanted to again continue on my course of reference to the northern roads. Why did I bring up the argument about the chemicals and why did I bring up the arguments about Patuanak and Highway 155?

April 4, 1989, once again I quote from the Minister of Northern Affairs:

Everybody's becoming more environmentally conscious, especially in the transportation of chemicals, dangerous goods, but they'll not improve our roads so that indeed there's a greater safety, you know, for all the people who travel on our northern Saskatchewan roads. All they talked about was Waskesiu and La Ronge, you know, the southern edge of northern Saskatchewan.

And another quote from April 5, 1988:

But these roads are also downgraded in the past six years. They've become unsafe. They've become dangerous. Not only has there been more in the increasing number of people who die on our roads in northern Saskatchewan, but the fact remains that there's an increasing amount of dangerous chemicals that are being transported on these roads.

And it's very important . . . one of the members from across laughs and make jokes out of it, but I don't think at all that it is a joke.

And another quote from April 4, 1988:

Here we have 48,000 pounds in regards to transporting of hazardous chemicals like cyanide that are being transferred on this road. And there's a record number of accidents, because not only a lack of improvement, there's even a lack and a cut-back on maintenance on that highway. Not

only do more people die on that road but there are more spills of hazardous chemicals.

And I've got five or six quotes, the same argument he made 10 years ago, Mr. Minister, on northern highways.

Mr. Minister, Highway 918, Patuanak, Highway 155, are people roads, but the mining sector also uses it, like you argued back in '88.

So I would encourage you to respond and give a commitment tonight that you will also commit to these highway problems in the constituency of Athabasca.

**Hon. Mr. Goulet:** — Number one, on highways, there was a record historical increase on the amount given to northern Saskatchewan in regards to highways over the past many years.

This year we went from 26 million spent on highways to 35 million. That's a \$9 million improvement on highways. It is the single, largest improvement on highways I think in that many areas in this province.

And, Mr. Speaker, the improvements were made right in the home area of the member, surrounding his area. From Turnor Lake we had 1.2 million this year in addition to the 300 million from . . . 300,000 last year. We're putting about 5 million in around Canoe Narrows, Jans Bay, so that people can travel safely in around their communities, as well as partake in the forestry industry. People are, on regards to going to the mine and going across to La Ronge, on that road there will be \$5 million spent on that road.

So when you're looking at provincial commitment, that is \$9 million extra over the 26, for a total of \$35 million this year.

For historical purposes the member likes not to talk about the federal Liberals. The federal Tories even used to put money into the North but the federal Liberals have gotten away from it except for the Athabasca Road which they're going to save money anyway over the long run. Our Oceans and Fisheries, they don't have to pay for the dredging, etc., on Athabasca after the road gets in. So they will save money in the long run. They will end up paying for the maintenance of that road.

But in regards to the whole area of the South, the feds used to pay 60 per cent, province 40 per cent; yes, 35 million. We would have at least 70 million if the feds put in some money. That would have impact to Patuanak and 155. We're improving those roads in regards to 155, but definitely to Patuanak we would go if indeed the federal dollars was there. So that's what I would say to you.

**Mr. Belanger:** — Thank you, Mr. Minister. And I guess there's a lot of issues we can talk and we can sit here and talk all night. But I understand it's getting late in the evening and since I've been known to talk at great lengths, I see a white flag, so I'll kindly slow down here and wrap up my comments.

Madam Minister, again thanks to your officials for their attention and their time, and thank you for your time. And certainly the Minister of Northern Affairs, I appreciate some of the comments you made. I'm not convinced however in the

least way that these are the answers we want.

What I want to point out, Mr. Minister, is that it's time — it's high time that we stop apologizing for what the North gets and start fighting for what the North needs. You've made those statements before. We are here genuinely standing in our spot to espouse those particular views. We support them. We believe that you have to make the people of the North as independent and as strong as quickly as you can. That's the role, I believe, of a socialist government.

And in closing, Madam Minister, and Mr. Chair, I want to read a message that I sent to the La Loche yearbook committee. And I believe it wraps up all what we feel that's very important in northern Saskatchewan and that the work we're doing today is hopefully going to have some benefit to our children of the future — to our own children. So the message I have to all you this evening in the most eloquent way I can is simply to read it:

Our greatest gift. The measure of our people, of all people, is the manner in which we appreciate our children.

We must afford them confidence and peace for these are the greatest gifts any nation can bestow upon its children.

For all of us, there is no time for anything but challenging life in every 'arena' it has to offer, whether the challenge be in sports, business, the arts, or politics.

However, our greatest challenge is to develop our children and nation to become independent, compassionate, and free to dream . . .

Thank you very much.

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

Subvote (MG01) agreed to.

Subvotes (MG02), (MG07), (MG03), (MG12), (MG15), (MG16), (MG05), (MG13) agreed to.

Vote 24 agreed to.

**General Revenue Fund  
Lending and Investing Activities  
Saskatchewan Housing Corporation  
Vote 143**

Subvote (SH01) — Statutory.

**Supplementary Estimates 1997-98  
Budgetary Expense  
Municipal Government  
Vote 24**

Subvote (MG13) agreed to.

Vote 24 agreed to.

(2330)

**Hon. Mrs. Teichrob:** — Mr. Chairman, on behalf of myself

and the Minister of Northern Affairs, I'd like to thank our officials for attending tonight and assisting, and I'd like to thank the members opposite for their questions.

**Mr. Toth:** — Thank you, Mr. Chair. As well on behalf of the official opposition, to extend an appreciation to the minister and her officials for the times we've had and the responses, and look forward to the responses to some of the questions that we raised that you've agreed to respond to.

Thank you so much.

**Mr. Hillson:** — Madam Minister, on behalf of the Liberal caucus, and especially myself and the member for Athabasca, I too wish to thank yourself and your officials for your attendance this evening.

The committee reported progress.

The Assembly adjourned at 11:32 p.m.

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