

The Assembly met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Ms. Julé: — Mr. Speaker, it's my pleasure to stand today on behalf of citizens of Saskatchewan who are opposed to forced amalgamation, I read the petition as such, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to urge the Government of Saskatchewan to reject proposals of any forced amalgamation of municipalities.

And the signatures on this petition, Mr. Speaker, are from Humboldt, from Muenster, from Plunkett, Carmel, Guernsey, and Lanigan.

I so present.

Ms. Draude: — Mr. Speaker, I too have a petition to present today for cellular coverage for Watson and area.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to ensure reliable cellular service to Watson and area by installing a cellular tower in Watson.

As in duty bound, your petitioners will ever pray.

As you may expect, Mr. Speaker, the people that have signed this petition are from Watson.

Mr. Gantefoer: — Mr. Speaker, I rise on behalf of citizens in my constituency concerned about the high price of fuel. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

Signatures on this petition, Mr. Speaker, are from the communities of Melfort, Lake Lenore, Beatty, Star City, and Brooksby.

I so present.

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

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

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

Mr. Speaker, the petition I present is signed by individuals in the community of Melfort.

Mr. Peters: — Thank you, Mr. Speaker. I also rise on behalf of the amalgamation of municipalities, and the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to halt any plans it has to proceed with forced amalgamations of municipalities in Saskatchewan.

And it's signed by people from Caronport, Regina, and Mortlach, Saskatchewan.

I so present.

Ms. Eagles: — Thank you, Mr. Speaker. Mr. Speaker, I stand today to present petitions on behalf of Saskatchewan citizens concerned about the high cost of fuel. And the petition reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

And this petition is signed by people from Beatty, Tisdale, Melfort, Kinistino.

I so present.

Mr. Wall: — Thank you, Mr. Speaker. I rise again today on behalf of Swift Current and area people concerned with the Swift Current hospital. And I'll read the prayer. It's as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to assist in the regeneration plan for the Swift Current Regional Hospital by providing approximately \$7.54 million, thereby allowing the Swift Current District Health Board the opportunity to provide improved health care services.

And, Mr. Speaker, this petition is signed by people in the city of Swift Current.

I so present.

Mr. McMorris: — Mr. Speaker, I too stand to present a petition on the opposition to enforced rural amalgamation — municipal amalgamation. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to halt any plans it has to proceed with forced amalgamation of municipalities in Saskatchewan.

And is in duty bound, your petitioners ever humbly pray.

And these petitions are from Caron, Moose Jaw, and

surrounding area.

And I so present.

Mr. Brkich: — Mr. Speaker, I too have a petition to reduce the fuel tax. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel tax by 10 cents a litre, cost shared by both levels of government.

As in duty bound, your petitioners will ever pray.

Petitioners are from Davidson, Regina, Saskatoon, various other places.

I so present.

Ms. Harpauer: — Thank you, Mr. Speaker. I too have a petition with citizens who are concerned about forced amalgamation. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to halt any plans it has to proceed with enforced amalgamation of municipalities in Saskatchewan.

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

Petitioners, Mr. Speaker, are from the RM (rural municipality) of Hillsborough and the RM of Colonsay.

I so present.

Mr. Wiberg: — Thank you, Mr. Speaker. I have a petition here today in regards to the reduction to the fuel tax. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial government to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

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

These signatures are from Findlater, Regina, Bethune and Craven.

I so present.

Mr. Hart: — Thank you, Mr. Speaker. I too have a petition to present on behalf of the citizens concerned with forced municipal amalgamation. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to halt any plans it has to proceed with enforced amalgamation of municipalities in Saskatchewan.

As in duty bound, your petitioners will ever pray.

And it is signed by citizens from the communities of Caronport,

Moose Jaw and Caron.

I so present.

Mr. Allchurch: — Thank you, Mr. Speaker. I rise today to bring a petition regarding forced amalgamation:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to halt any plans it has to proceed with forced amalgamation of municipalities in Saskatchewan.

And I have petitioners signed from Moose Jaw, Caron, and Caronport.

I so present.

READING AND RECEIVING PETITIONS

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

Of citizens of the province petitioning on the following matters:

To halt any plans to proceed with the amalgamation of municipalities in Saskatchewan;

To provide funding for the Swift Current Regional Hospital;

To cause the federal and provincial governments to reduce fuel taxes.

NOTICES OF MOTIONS AND QUESTIONS

Mr. Elhard: — Thank you, Mr. Speaker. I give notice that I shall on day no. 23 ask the government the following question:

To the Minister of Highways: for each of the fees or charges that your department levies against the public for a provision of a certain service, what is the annual amount collected by your department with each charge or fee; and what is the cost to your department on an annual basis for providing each service.

Thank you, Mr. Speaker.

Ms. Draude: — Mr. Speaker, I give notice that I shall on day no. 23 ask the government the following question:

To the Minister of Education: for each of the fees or charges that your department levies against the public for a provision of a certain service, what is the annual amount collected by your department with each charge or fee; what is the cost to your department on an annual basis for providing each service.

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Speaker, I give notice that I shall on day no. 23 ask the government the following question:

To the Minister of Agriculture: for each of the fees or service charges your department levies against the public for a provision of a certain service, what is the annual amount collected by your department for each charge or fee, and what is the cost to your department on an annual basis for providing each service?

Mr. Gantefoer: — Thank you, Mr. Speaker. I give notice that I shall on day no. 23 ask the government the following question:

To the Minister of Health: for each of the fees or charges your department levies against the public for a provision of a certain service, what is the annual amount collected by your department with each charge or fee, and what is the cost to your department on an annual basis for providing each service?

Mr. Toth: — Thank you, Mr. Speaker. As well, to present a question, a written question. I give notice that I shall on day no. 23 ask the government the following question:

To the Minister of Social Services: for each of the fees or charges your department levies against the public for a provision of a certain service, what is the annual amount collected by your department with each charge or fee, and what is the cost to your department on an annual basis for providing each service?

Mr. Peters: — Thank you, Mr. Speaker. I give notice that I shall on day no. 23 ask the government the following question:

To the Minister of Saskatchewan Property Management: for each of the fees or charges your department levies against the public for a provision of a certain service, what is the annual amount collected by your department with each charge or fee, and what is the cost to your department on an annual basis for providing each service?

I so present.

Ms. Eagles: — Thank you, Mr. Speaker. I give notice that I shall on day no. 23 ask the government the following question:

To the Minister of Saskatchewan Liquor and Gaming Authority: for each of the fees or services your department levies against the public for a provision of a certain service, what is the annual amount collected by your department with each charge or fee; and what is the cost to your department on an annual basis for providing each service.

Thank you.

Mr. Wall: — Thank you, Mr. Speaker. I give notice that I shall on day no. 23 ask the government the following question:

To the Minister of Justice: for each of the fees or charges your department levies against the public for a provision of a certain service, what is the annual amount collected by your department with each charge or fee; and what is the cost to your department on an annual basis for providing each service.

Ms. Bakken: — Thank you, Mr. Speaker. I give notice that I shall on day 23 ask the government the following question:

To the Minister of Intergovernmental and Aboriginal Affairs: for each of the fees or charges your department levies against the public for a provision of a certain service, what is the annual amount collected by your department with each charge or fee; and what is the cost to your department on an annual basis for providing each service.

Mr. McMorris: — Thank you, Mr. Speaker. I give notice that I shall on day 23 ask the government the following question:

To the Minister of Municipal Affairs: for each of the fees or charges your department levies against the public for a provision of a certain service, what is the annual amount collected by your department with each charge or fee; and what is the cost to your department on an annual basis for providing each service.

Thank you.

Mr. Weekes: — Thank you, Mr. Speaker. Mr. Speaker I give notice that I shall on day no. 23 ask the government the following question:

To the Minister of Labour: for each of the fees or charges your department levies against the public for a provision of a certain service, what is the annual amount collected by your department with each charge or fee; and what is the cost to your department on an annual basis for providing each service.

Mr. Brkich: — Mr. Speaker, I too have a written question. I give notice that I shall on day no. 23 ask the government the following question:

To the Minister of CIC (Crown Investments Corporation of Saskatchewan): for each of the fees or charges your department levies against the public for a provision of a certain charge, what is the annual amount collected by your department with each charge or fee, and what does it cost your department on an annual basis for providing each service?

Mr. Wakefield: — Mr. Speaker, I give notice that I shall also on day 23 ask the government the following question:

To the Minister of Finance: for each of the fees and charges your department levies against the public for a provision of certain service, what is the annual amount collected by your department with each charge or fee, and what is the cost to your department on an annual basis for providing each service?

Mr. Wiberg: — Thank you, Mr. Speaker. I give notice that I shall on day no. 23 ask the government the following question:

To the Minister of Northern Affairs: for each of the fees or charges your department levies against the public for a provision of a certain service, what is the annual amount collected by your department with each charge or fee, and

what is the cost to your department on an annual basis for providing each service?

Mr. Hart: — Mr. Speaker, I give notice that I shall on day no. 23 ask the government the following question:

To the Minister of Post-Secondary Education and Skills Training: for each of the fees or charges your department levies against the public for a provision of a certain service, what is the annual amount collected by your department with each charge or fee, and what is the cost to your department on an annual basis for providing each service?

Mr. Allchurch: — Thank you, Mr. Speaker. I give notice that I shall on day no. 23 ask the government the following question:

To the Justice minister: with reference to the Assiniboia court house, how many Court of Queen's Bench trials or other Queen's Bench proceedings took place in the Assiniboia court house in 1999? Please give the dates of each proceeding and/or trial. What is the detailed breakdown of cost savings the provincial government will experience through the removal of Court of Queen's Bench services from Assiniboia? What will be the increase in cost for other court houses in other communities as a result of the closure of the Assiniboia court house? How many jobs will be lost as a result of this closure, and how many of the current employees have been offered other jobs within the justice system?

Thank you.

Mr. Stewart: — Thank you, Mr. Speaker. Mr. Speaker, I give notice that I shall on day no. 23 ask the government the following question:

To the Minister of Energy and Mines: for each of the fees or charges your department levies against the public for a provision of a certain service, what is the annual amount collected by your department with each charge or fee, and what is the cost to your department on an annual basis for providing each service?

Mr. Kwiatkowski: — Thank you, Mr. Speaker. I give notice that I shall on day no. 23 ask the government the following question:

To the Minister of Environment: for each of the fees or charges your department levies against the public for the provision of a certain service, what is the annual amount collected by your department with each charge or fee, and what is the cost to your department on an annual basis for providing each service?

Thank you, Mr. Speaker.

INTRODUCTION OF GUESTS

Hon. Mr. Van Mulligen: — Thank you, Mr. Speaker. Mr. Speaker, I'm pleased today to have the opportunity to introduce to you and through you to the members of the Assembly, Dr. Deborah Parker-Loewen, who is seated in your gallery.

Dr. Parker-Loewen was appointed as Saskatchewan's first Children's Advocate in November of 1994, and the Legislative Assembly confirmed her appointment in March of 1995. Through The Ombudsman and Children's Advocate Act, and as an independent officer of the Legislative Assembly, she has the authority to promote the interests of and act as a voice for children. The Children's Advocate works to resolve disputes, conducts independent investigations, and recommends to government or the Legislative Assembly improvements to programs and services for children.

With Dr. Parker-Loewen today are . . . I would ask at this point if Dr. Parker-Loewen could stand to be recognized, Mr. Speaker.

Hon. Members: Hear, hear!

Hon. Mr. Van Mulligen: — Mr. Speaker, with Dr. Parker-Loewen today are members of her staff, and as I call out their names I would also ask them to rise, be recognized: Glenda Cooney, the deputy Children's Advocate; Carol Sookocheff, executive secretary; John Brand, advocate; Marcel St. Onge, advocate; Roxane Schury, advocate; Rhonda Johannson, advocate assistant; Bernie Rodier, office administrator; Sharon Chapman, communications and public education co-ordinator.

Also seated in the gallery, Mr. Speaker, with Dr. Parker-Loewen are her husband Rob Loewen — if he would stand to be recognized — her daughter, Sarah, her son, Trent, her sister, Linn Gallagher, and nephew, Ryan Gallagher.

In addition Barbara Tomkins, Provincial Ombudsman, and several members of her staff are also in the Assembly today, Mr. Speaker.

I would ask all members to join me again in welcoming Dr. Parker-Loewen, her family and staff and other dignitaries to the Assembly here today. Thanks very much.

Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, on behalf of the official opposition, we would like to join with the minister in welcoming Deborah Parker-Loewen and her family and the staff to the Assembly today. Would the members join me in extending that welcome.

Hon. Members: Hear, hear!

Ms. Draude: — Thank you, Mr. Speaker. It's a great honour today to introduce to you and to members of the Assembly some members of my family, very special guests: my husband, Martin Draude; my daughter-in-law, Patti Draude; my son, my oldest son, Tim; my oldest daughter, Angela Weber; and my oldest granddaughter, Brianne Weber.

Hon. Members: Hear, hear!

Mr. Gantfoer: — Thank you, Mr. Speaker. We had to draw straws before the session in order to see who would introduce people first because when the member from Kelvington-Wadena was so kind enough to introduce her

daughter-in-law, Patti Draude, I was also equally proud because that is my daughter and Carole's daughter, Patti Gantfoer formerly.

And it's always a pleasure when your children can come and watch you in the House and it's deeply a pleasure when they can come and watch both of their parents. I'd ask members to welcome them.

Hon. Members: Hear, hear!

Mr. Brkich: — Mr. Speaker, through you and to the members of the House, I'd like to introduce a couple of people from the city of Regina who've come here today to view the proceedings and to see how the budget will impact their lives and other people from the province of Saskatchewan — Brad Nameth and his father, Mr. Ed Nameth. Thank you.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Invermay Senior Drama Group Wins Competition

Ms. Draude: — Mr. Speaker, I'm proud to rise today to tell the members of the Assembly about the Invermay Senior Drama Group. This group of dedicated and talented actors recently competed in the Region 4 Drama Festival in Kamsack where they received the award for the best overall production for their play "Blind Dates". The Invermay Senior Drama Group will now advance to the provincial final to be held in Yorkton in May. This is a double honour for this group, Mr. Speaker, since this is the first time they've ever won at the competition, and more importantly this is the first time the drama club will be competing in the provincial drama finals.

I would be remiss, Mr. Speaker, if I didn't mention that one of the directors of this play is Gail Krawetz, wife of Ken Krawetz, MLA (Member of the Legislative Assembly) for Canora-Pelly. The 55-minute play presented an ensemble of acts intended to portray how the numerous anxieties children go through are much like a blind date. The adjudicator was quoted as saying:

A play should have the ability to educate, to entertain, and to transport the audience. Invermay did all of those things with a very balanced act that worked very well together.

We congratulate the Invermay School Senior Drama Group on their double win: the best overall production, and for advancing to the provincial finals in Yorkton, and we wish them the best of luck.

Hon. Members: Hear, hear!

Saskatchewan Leading in Job Growth for Western Canada

Mr. Thomson: — Thank you, Mr. Speaker. It is Friday, and Friday means good news for this House.

Some Hon. Members: Hear, hear!

Mr. Thomson: — It is my pleasure to inform you — and the members opposite will want to listen to this, and take out their

pens and take note — for the third month in a row Saskatchewan is leading Western Canada in job growth.

Some Hon. Members: Hear, hear!

Mr. Thomson: — Better job growth than Manitoba; better job growth than BC (British Columbia); better job growth than Alberta. According to Statistics Canada, Mr. Speaker, there were 15,000 more people working in Saskatchewan this month than a year ago — 15,000.

Some Hon. Members: Hear, hear!

Mr. Thomson: — Mr. Speaker, those 15,000 new jobs are full-time jobs. And of those 15,000 new jobs, I'm very, very happy to tell you that 5,700 of them — more than a third — are being held by young people.

Some Hon. Members: Hear, hear!

Mr. Thomson: — Mr. Speaker, the members opposite would let you think that there is nothing good going on in Saskatchewan — 15,000 more people disagree with you this year than disagreed with you last year.

Some Hon. Members: Hear, hear!

Mr. Thomson: — And when we approve this budget, Mr. Speaker, let me tell you that the job growth will continue. Good news for Saskatchewan. Good news for all people here.

Some Hon. Members: Hear, hear!

Governor General's Certificate of Commendation Awards

Mr. Gantfoer: — Thank you, Mr. Speaker. Mr. Speaker, on Thursday, April 13 of this year, 10 people will be honoured with the Governor General's Certificate of Commendation. This award is based on the recommendation of the Canadian Advisory Committee.

These people are being recognized for their role in the rescue of a 16-year-old, Christin Knutsen of Tisdale from a submerged vehicle in the Doghide River in August, 1998. Had it not been for the efforts of Barbara and Dwight Marleau, Jim Brady, Gary McPeak, Dennis Koenig, Ken Bridges, and Mike Thorpe of Tisdale, Judy Blair of Melfort, Michael Berard of Regina, and Ron Cowie of Saskatoon.

Christin Knutsen would have drowned in her overturned vehicle — these people were out enjoying a game of golf when they heard the sounds of the accident nearby. Their quick response and courageous efforts saved this young girl's life.

Would the Assembly please join with me in congratulating these local heroes?

Some Hon. Members: Hear, hear!

Successful Vaccination Program

Hon. Mr. Goulet: — Mr. Speaker, more good news for the province.

Some Hon. Members: Hear, hear!

Hon. Mr. Goulet: — I would like to start by giving special thanks and recognition to the health workers, the three northern health districts, the First Nations health authorities, plus the federal and provincial departments in northern Saskatchewan.

The story is based on action to counter hepatitis A and childhood meningitis.

Here is the story. In 1996 there was 450 reported cases of hepatitis A in Saskatchewan — more than 150 of them in northern Saskatchewan. In 1999, the number for the whole province had dropped to 15. This remarkable reduction is a result of an immunization program in collaboration with the department, the health boards, and the workers.

And, Mr. Speaker, in another disease which strikes mainly children; there has been a great reduction as well. One of the most common forms of childhood meningitis has dropped from 26 cases in a three-year period to just three in the past five years.

Some Hon. Members: Hear, hear!

Hon. Mr. Goulet: — Mr. Speaker, the health boards have declared October 24 to the 30th as the first ever Northern Saskatchewan Immunization Awareness Week.

Mr. Speaker, I am proud of the team spirit and accomplishment for the people in the North. This is a success story . . .

The Speaker: — Order. Order.

Some Hon. Members: Hear, hear!

Swift Current Provincial Curling Tankard

Mr. Wall: — Thank you, Mr. Speaker. I rise today and invite members to join with me in recognizing the accomplishments of many Swift Current area volunteers who recently helped host a very successful provincial Tankard in my hometown.

Saskatchewan is proud of its curling heritage and its reputation for being home to world-class curlers. And, Mr. Speaker, from February 9 through until the 13th, Swift Current was the centre for curling attention in the province as the city hosted the 2000 Provincial Men's Curling Championship.

The Tankard turned out to be a huge success. One of the main reasons for that of course is the hard work and dedication of the organizing committee. Volunteers spent over 16 months planning and preparing for the men's curling championship and they are to be commended for their achievements.

Mr. Speaker, I'm proud to represent the people of Swift Current who are known for their talent in hosting world-class events. Congratulations to local Tankard Chair, Dean James, and to all of his host-team volunteers for an outstanding job at the Tankard. I'd also take this opportunity to acknowledge the lead sponsorship of Saskatchewan Wheat Pool.

Mr. Speaker, Swift Current has worked hard to earn a

reputation for hosting best-ever events. Thanks to Dean, his army of volunteers, and the corporate sponsors, the 2000 Tankard can now be added to that list. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

North Battleford North Stars Win Northern Division Hockey Championship

Hon. Mr. Hillson: — Thank you, Mr. Speaker. Last night the Humboldt Broncos rode into the Battlefords to play hockey. Bad news for Humboldt. The North Battleford North Stars rode the Broncos out of town with their tail between their legs.

Yes, Mr. Speaker, it was the final game of the Northern Division championships for the Saskatchewan Junior Hockey League; and as I predicted, North Battleford slaughtered Humboldt.

Mr. Speaker, my sincere condolences to the hon. member from Humboldt. I'm certain her Broncos did everything in their power to win but when you take on North Battleford, what do you expect?

The North Battleford North Stars are moving onward and upward to the provincial championships against the Weyburn Redwings. Bad news for Weyburn. My prediction — the Wings will get clipped. And I'm willing to put my money where my mouth is, that's if the hon. member from Weyburn doesn't mind donating to my next campaign.

Mr. Speaker, please join me in congratulating coach Jim Fedyk, assistant coach Cory McKee, and all the winning squad from North Battleford.

Some Hon. Members: Hear, hear!

Businessman to Leave Saskatchewan

Ms. Harpauer: — Thank you, Mr. Speaker. Today I rise to tell the members of the Assembly about a conversation I had last night with a gentleman named Steve Zablocki. Steve lives in Clavet, and like many people in rural Saskatchewan he does what he can to make enough money to pay the bills, give his children an education, and put some money away for retirement. He now feels that in Saskatchewan this has become impossible to fulfil his dream however. I was saddened to hear Steve tell me that as soon as he sells the final portion of his business, he and his wife are moving.

Yes, Mr. Speaker, another family and another business are leaving the province. Steve says the government's obsession with control is just one of the main reasons why they're leaving. And the others? Well how about high taxes, too many restrictions, forced amalgamation, no support of agriculture, utility rate hike . . .

The Speaker: — Order, order. I would ask all members for their co-operation in allowing the member to read her statement.

Ms. Harpauer: — Thank you, Mr. Speaker. And the list goes on.

But the real reason why I wanted to tell the hon. members about my conversation with Steve, Mr. Speaker, is to relay a story that

he told me. A number of years ago he owned an auto body shop in Saskatoon and a young lawyer brought in his wife's car to be fixed and painted. The young lawyer could not afford the price that the shop was charging because he was just starting out and he didn't have a lot of money. Steve said he knew what this was like and he gave him a reduced rate to help him out, and so the lawyer had his wife's car fixed. That young lawyer, Mr. Speaker, is now the Premier of Saskatchewan.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Provincial Taxes

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Speaker, my questions are for the Minister of Finance.

Mr. Minister, yesterday during interim supply you admitted that the NDP (New Democratic Party) could have balanced the budget without increasing the PST (provincial sales tax). The obvious question that I'm sure people all across the province are asking, if the government could have cut taxes without a massive increase — \$160 million increase in the PST — why didn't you do it?

Mr. Minister you've admitted that you didn't need to gouge taxpayers with this massive PST increase, so I'm asking on behalf of all taxpayers this morning, why didn't you do it?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — You know, Mr. Speaker, I want to tell the people of this province and I want to tell this House just how ridiculous the numbers these people come up with are. And, Mr. Speaker, the public record, the record in *Hansard* will bear me out.

Last week in this House the Leader of the Opposition and his colleagues were accusing me of sitting on a \$700 million slush fund, Mr. Speaker. That's what they were saying.

Yesterday the member from Cannington was up on his feet accusing me of having a budget that contained a \$396 million deficit, Mr. Speaker.

Well I ask even the members of the opposition to realize, Mr. Speaker, you can't have a \$700 million surplus and a \$396 million deficit at the same time, Mr. Speaker. You can't have it.

And I say to that member opposite that the record will show that I told the members opposite yesterday that yes, you could spend \$160 million more this year and balance the budget but you'd be in deficit in two years and . . .

The Speaker: — Order.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Mr. Speaker, I have another question for the Minister of Finance.

Some Hon. Members: Hear, hear!

The Speaker: — Order. Order, please.

Mr. Boyd: — Mr. Speaker, another question for the obviously confused Minister of Finance.

Mr. Minister you just don't get it. You came within a whisker last fall of losing the election because the NDP had buried the families of this province under a mountain of taxes and the message was very clear. People expect the government to cut taxes, not to invent new ones.

Mr. Minister, what part of that message didn't you understand? If you didn't need to pound the people of this province with \$160 million increase in the PST, why didn't you do it then?

It's a simple question, Mr. Minister, you admitted yesterday that you didn't need to increase the PST by 160 million; why don't you do that?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — It's the same old funny money, Mr. Speaker. It's just the same old Tory math. And I say to the members opposite that what this budget does is reform the tax system more than it's ever been reformed before.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — When you do that, Mr. Speaker, there will be some negatives, there will be some positives. But I'll tell you the positive side outweighs the negatives, Mr. Speaker. Because this budget is going to eliminate the flat tax, eliminate the high-income surtax, eliminate the debt reduction surtax.

This budget, Mr. Speaker, means a savings of \$1,000 a year for ordinary families. And I'd like to know why the members opposite don't support that, Mr. Speaker?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Why don't they support the elimination of a flat tax, and why don't they support taking 55,000 low-income people off of the provincial tax rolls altogether, Mr. Speaker?

Some Hon. Members: Hear, hear!

Mr. Boyd: — Well, you're certainly right about that, Mr. Minister. There are some negatives and there are some positives in this. Let's review this a little bit.

The Speaker: — Order, order. Order, please. I would ask the co-operation of all hon. members in the House to allow the question to be asked and the answer to be given. I ask you to please co-operate.

Mr. Boyd: — Thank you, Mr. Speaker. You keep bragging about your so-called tax cut. Well let's do it a little bit of review here. Let's do a little bit of review.

If we can believe, if we can believe, Mr. Speaker, the budget documents, this year's so-called tax cut will be about 43 million. But you forgot to mention during all the budget hoopla

what taxes were actually going up. SaskTel and SaskEnergy up 40 million; SGI (Saskatchewan Government Insurance) up 11 million; camping and hunting fees up 9 million; long-term care up 8 million.

Mr. Minister, that's \$68 million in new budget increases, new taxes on the people of this province. So much for your tax cut.

Mr. Minister, will you finally admit what everyone knows, that your so-called NDP tax cut actually results in an NDP \$25 million of new taxes added to the people of this province.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, this is the same old Tory math — it didn't add up in the 1980s, it doesn't add up today.

And I say to the members opposite: be careful what you say because you're playing fast and loose with the numbers, and you can't have a \$700 million surplus and a \$396 million deficit at the same time.

And what this budget does, Mr. Speaker, is to look to the future. That's what it does. And what we're going to do, Mr. Speaker, is we are going to give Saskatchewan people, starting this year, a \$260 million tax cut, Mr. Speaker. We are going to go to a new, simple, competitive tax structure and the members opposite know it.

And the reason the members opposite are going on as they are, Mr. Speaker, is they don't support a tax cut for ordinary people — they support a tax cut for the rich, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Minister, your so-called tax cut will amount to \$43 million this year. But we also know, but we also know . . .

Some Hon. Members: Hear, hear!

The Speaker: — Order, order please. Kindly allow the question to be heard.

Mr. Boyd: — . . . we also know, Mr. Minister, that your tax increases in your budget will total 68 million and counting. That means that the NDP is gouging the taxpayers of this province an additional \$25 million this year alone. And we don't even know about many of the other tax increases because you won't release a list.

Mr. Minister, it's time to stop the charade. It's time to stop the bleeding. Will you agree to freeze all government fees and charges immediately? Will you release a complete list of all government fees including the ones you plan to increase this year? And will you stop the hidden taxes and establish an independent commission to review all government increases and fees and any other tax increases that you have planned for the people of this province.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Well, Mr. Speaker, I found the smoking

gun in answer to the member's question. And it appears on page 64 of the budget document that was tabled in this legislature last . . . a week ago Wednesday. And on that page, Mr. Speaker, it says this: General Revenue Fund, statement of revenue, other revenue, other licences and permits — it says the forecasted revenue for last fiscal year, \$43 million. Forecasted revenue for this fiscal year, \$41.7 million, Mr. Speaker. That's not an increase, Mr. Speaker, it looks like we're going to have a reduction.

The next line, Mr. Speaker: sales, services and . . .

The Speaker: — Order, order please. I'm having difficulty hearing the answer. Order. Order, please.

Hon. Mr. Cline: — Mr. Speaker, the next line is: sales, services and service fees — revenue last year, \$95.5 million. Revenue estimated for this year, \$71.4 million.

So get your numbers right, Mr. Member of the opposition, get your numbers right before you raise numbers that are . . .

Some Hon. Members: Hear, hear!

The Speaker: — Order.

Administration of Provincial Sales Tax

Mr. Brkich: — Mr. Speaker, my question is also for the Minister of Finance. There seems to be a lot of confusion about your new PST tax grab, usually consumers are paying the price. Bradley Nameth of Regina had the misfortune to buy a used truck on March 30, the day after your massive tax grab; he paid \$7,000. He then went down to his SGI agent to transfer the plates and was charged PST on the full sale price of the vehicle instead of the sale price minus the \$3,000 deductible. That means he was overcharged by \$180.

Mr. Minister, why don't your SGI agents know the rules? Have you informed them? Have you consulted with them? What are you doing to clear up this confusion?

Hon. Mr. Cline: — Well, Mr. Speaker, if anyone has been overcharged any fee then they should . . . the member should bring that forward and the fee will be refunded. There's no problem with that, Mr. Speaker. But I want to say to the member that what this change in our tax system represents, and it certainly represents an expansion of the PST. That has not been denied. I mentioned that in the budget speech, Mr. Speaker.

But the reason for that is because we are building a new taxation system which will eliminate the flat tax that hits low-income people that was brought in by the members opposite when they were in government, Mr. Speaker, and that's what we're going to do. And the members stand up day after day and say that you can cut income taxes by hundreds of billions of dollars and have no re-balancing anywhere else.

And I say to the people of the province, Mr. Speaker, that that's the kind of thinking — although in the short term it may be politically popular — that leads to deficit and debt. And we've been there, we've done that, and we're not going back to . . .

Some Hon. Members: Hear, hear!

Mr. Brkich: — Mr. Speaker, Mr. Nameth did follow his advice, realized the mistake, so he went down to your Department of Finance to apply for a refund. They told him he wasn't going to be charged on the \$7,000 sale price — instead the tax would be calculated based on a value of \$8,400 because that was the red-book value of the vehicle. The red-book value — that's an appropriate name I would say.

Mr. Minister, the sale price of the truck was \$7,000. Where do you come off charging tax based on some inflated NDP red book?

Hon. Mr. Cline: — Mr. Speaker, I say again that I'm not going to discuss the personal taxation situation of any taxpayer in the House because it's not proper to do that, Mr. Speaker. But if there's a problem . . .

The Speaker: — Order. Order, please. Kindly allow the minister to respond to the question.

Hon. Mr. Cline: — If there's a problem with respect to any taxpayer, that matter should be brought to the attention of myself or the Department of Finance, and, Mr. Speaker, we will deal with the problem.

But I want to say to the member opposite that he should try to solve the problem in the proper way — not try to play politics in the House. And I say, I say to the member opposite that while he's talking about the interests of taxpayers, he should realize that most taxpayers in this province want us to eliminate the Saskatchewan flat tax, and that's what we're going to do, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Brkich: — Mr. Speaker, he did go through the proper channels. What he got was a bulletin saying that they were going by the red book price. Yet if you go through your budget, you say for the sale of the . . . of the seller's price, of the seller's price — not on the red book. Never anywhere does your budget say on the red book — it's on the seller's price is what, is what it's paid on.

So why is your department misleading the public? Why is your department misleading the public? And why are you gouging people like Brad Nameth?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, for the third time, I will tell the member that if the member wishes to bring the information to me, I will ensure that the proper officials in the Department of Finance review the information and will respond to the citizen.

But I want to say to the member, the member should have a look at the fact that in our budget we are eliminating the flat tax and we're removing 55,000 low-income people from the income tax rolls, Mr. Speaker.

And if the member is really interested in the citizens of this

province and the future of this province, the member will join with us in a tax cut for ordinary people, Mr. Speaker. And not just adhere to their policy of a tax cut for the rich.

Some Hon. Members: Hear, hear!

Mr. Brkich: — Mr. Speaker, we're just talking about this instance. Why have you charged PST based on the red book value? Why don't you base it on the \$7,000 sale price, the way it should be? Not the \$8,400 NDP red book value.

Will you provide him with full refund of the difference? Will you do that, Mr. Minister? Will you turn around and say, yes, I will do that — we will follow the rules that we set out by saying seller's price, not red book price.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, for the fourth time, I will ask the officials of the Department of Finance to look into the case if the member would provide me with the information. And we will respond to the taxpayer. That's what we'll do, Mr. Speaker.

And I say to the member opposite, that one of the things we need to do in this House is concentrate on the big picture and concentrate on the future of the province, Mr. Speaker. And what this budget is about, Mr. Speaker, is the future. This budget is about saying that we should eliminate the flat tax, that we should take low-income people off of the tax . . .

The Speaker: — Order, order. Order. The level of noise is a little bit too high. I'm barely able to hear the minister's response. So please, please co-operate.

Hon. Mr. Cline: — And most importantly, Mr. Speaker, that we will not mortgage our children's future by following the advice of the members opposite.

Some Hon. Members: Hear, hear!

The Speaker: — Order.

Expansion of Provincial Sales Tax

Mr. Wakefield: — Mr. Speaker, my question is for the Minister of Finance. Mr. Minister, I have a letter here from the Saskatoon Real Estate Board. They're concerned that their industry had no time to prepare for the collection of this PST. Yet other professional organizations have been given until July 1 to implement the PST.

Mr. Minister, how do you determine which businesses should have charged PST expansion immediately and which ones were given a grace period to do that?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, as the members opposite have pointed out on many occasions, there were many changes to the provincial sales tax that took place on midnight on March 29. There are a few that take place on July 1.

As a matter of taxation policy where it's practicable we try to

have taxation changes simultaneous with the presentation of the budget for reasons I think the member will understand.

The real estate commission . . . The PST with respect to real estate commission has been collected since midnight, March 29. That is the policy that was announced in the budget. That is the policy that will be adhered to.

Some Hon. Members: Hear, hear!

Mr. Wakefield: — Mr. Speaker, the real estate industry as well as every other business who until now has not had to collect the PST, needs time to implement this new tax. There is a tremendous amount of work involved in adapting their books and their computer systems, and examining how it will affect their members and their customers, as well as the problems that continue to arise daily.

Mr. Minister, what actions are your department taking to help these industries and businesses across this province and not to hinder them deal with these new problems?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, if there are any problems of a practical or administrative nature, the officials of the Department of Finance will be more than happy to sit down with the real estate association and work those problems out.

Some Hon. Members: Hear, hear!

Municipal Amalgamation

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, the Minister of Municipal Affairs in this NDP government has spent a considerable amount of money on two studies — close to \$1 million. Yet the minister is indicating to SARM (Saskatchewan Association of Rural Municipalities) and SUMA (Saskatchewan Urban Municipalities Association) and the taxpayers that he doesn't want to wait until Mr. Garcea's final report is done, he wants to make a decision before all the results are in.

Mr. Speaker, meetings all over this province are sending the minister a clear message — no to forced amalgamation. Mr. Minister, will you listen to a large majority of Saskatchewan people and back off of forced amalgamation?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Thank you very much, Mr. Speaker. I want to say to the member that in this province over the last 10 years, there has been a far greater investment in looking at what we should be doing in restructuring municipalities and giving greater authority to municipalities across the province.

In this province, Mr. Speaker, I hold up here now, there are four reports that have been done. And these reports have been done by bodies of SUMA and SARM; this one here entitled the advisory committee report on intergovernmental community quality of life. I have another report here that was done by SUMA and SARM, a memorandum of understanding that was signed.

And this province which talks about voluntary consolidation, greater powers for municipalities, it talks about greater revenue sharing with municipalities; and now we have two more reports in this province, Mr. Member, which are the one by Stabler and the one by Garcea, and they all say the same thing. They talk about expanding the role of municipalities, giving municipalities more authority and more responsibility.

Mr. Speaker, these are all inquiries and issues . . .

The Speaker: — Order, next question.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Minister, you hit the nail on the head. You said voluntary. No one has a problem in this province with amalgamation if it's voluntary, not forced by you and your government.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Mr. Speaker, the question should be easy for the minister to answer. Will you listen to the Saskatchewan people and drop your obsession to destruct and mute the people of rural Saskatchewan by forced amalgamation?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, I want to answer that question by reading a little piece here that I have from a member . . . from an individual from Maple Creek. And the member . . . This individual from Maple Creek writes, Mr. Speaker, that amalgamation of governments or government services should be all governments. It should be the provincial government and the municipal governments, it should be about all governments.

And he talks about how in fact you might be able . . . and this is how he reads, this is what he says:

Let us also look at our own provincial government with one million people in our province and we would really need to reduce the number . . . do we need the number of MLAs that we have? Do we need the number of departments? Could we devolve some of those services to the municipalities (Mr. Speaker).

And then I read an article, Mr. Speaker, then I read an article, Mr. Speaker, that comes from Yorkton out of a meeting that the member opposite was at in Wroxton. And this is what he says, this is what they want to do he says. They want to also do away with 58 MLAs and guess where they're going to come from?

Mr. Speaker, this is about that member and that party fearmongering across Saskatchewan

The Speaker: — Order, order, next question.

Saskatchewan Health Information Network

Mr. Gantefoer: — Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Health. Madam Minister, your government has been working on the Saskatchewan Health

Information Network for a number of years now. And yet it's difficult to tell what progress is really occurring.

We know that you use the board of the SHIN (Saskatchewan Health Information Network) network as a place to put patronage appointments, but it's not clear if anything more than that is coming out of all the money that's been spent.

Would you share with the House and the people today, Madam Minister, how much money has been spent on the SHIN network so far?

Some Hon. Members: Hear, hear!

Hon. Ms. Junor: — Thank you, Mr. Speaker. I was very pleased to be one of the original board members of SHIN, so I appreciate the questions.

The SHIN network that has been developed in this province is actually being looked at across the country as a model. We have done this very slowly, very carefully, and we have invested very wisely.

The money that we have said we will have spent over the few years we've got it running, we have done so. And we've done so very transparently and very wisely.

Other provinces have not gone as far as we have and are looking to us for advice and leadership. We again have shown that what we do, we do carefully, prudently, financially responsibly, and with a great deal of leadership.

Some Hon. Members: Hear, hear!

The Speaker: — Order, please. Order.

Mr. Gantefer: — Thank you, Mr. Speaker. Mr. Speaker, again a question. And I wish you would, number one, answer the last question — how much money has been spent so far?

And, Madam Minister, the other question that I'd like to ask is, has the SHIN network actually been put into place? Is it just an expenditure of money on a theoretical system or is there actually some concrete system in place at this time?

So to answer the last question please, how much money has been spent to date? And what have we got to show for the money that's been spent?

Some Hon. Members: Hear, hear!

Hon. Ms. Junor: — Thank you, Mr. Speaker. When we first assumed office and assumed our various portfolios, I invited the member opposite as Health critic and the deputy Health critic for a meeting in my office and offered them a briefing on SHIN and what was happening in SHIN. They have yet to respond to that. And I wanted to show them what we were doing.

The Speaker: — Order. Order. Order, please. I was unable to hear the response from the hon. minister, Hon. Associate Minister of Health.

Hon. Ms. Junor: — Mr. Speaker, as I was saying, we have

offered this briefing to all of the province. The media has had it. Our coalition partners have had it. Groups all over the province have had it. I offered it to the opposition critic, the Health critic, and his whole caucus in fact, and he has yet to respond, as has none of them.

Some Hon. Members: Hear, hear!

Mr. Gantefer: — Mr. Speaker, Mr. Speaker, my question is for the Minister of Health again. Madam Minister, will you stand in front of this House and explain to the House — not just to me in a private meeting — but to this House — to this House, Madam Minister — what money has been spent on SHIN? Is this system in place and is this system a priority for your government?

Hon. Ms. Junor: — Thank you, Mr. Speaker. As I said, anyone can have the briefing on SHIN. We have a full presentation that the public — anyone — can have a look at. We are investing what we have said we will do. This year we will be investing 5.4 more million into SHIN.

The health network, the health industry is the last industry to come into the technology age. We need technology. We need information sharing and gathering. And as I've said before, we are open to having anyone come and see the presentation.

Some Hon. Members: Hear, hear!

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

Hon. Mr. Lingenfelter: — Mr. Speaker, by leave to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Lingenfelter: — Mr. Speaker, seated in your gallery, right up near the top, is a very, very special person in my life, my son, Matthew, who attends Luther High School in grade 9. I think he's here for an elocution debate later on today and tomorrow, Mr. Speaker. And I just want him to know that I am going to stay in this seat for some years to come. I wish him well in his elocution, but take your time in getting here.

And I would like all members to join with me.

Hon. Members: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 19 — The Saskatchewan Telecommunications Amendment Act, 2000

Hon. Mr. Nilson: — Mr. Speaker, I move Bill No. 19, The Saskatchewan Telecommunications Amendment Act, 2000 be now introduced and read the first time.

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

Bill No. 20 — The Saskatchewan Telecommunications Holding Corporation Amendment Act, 2000

Hon. Mr. Nilson: — Mr. Speaker, I move that Bill No. 20, The Saskatchewan Telecommunications Holding Corporation Amendment Act, 2000 be now introduced and read the first time.

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

(1100)

ORDERS OF THE DAY

GOVERNMENT MOTIONS

Reappointment of Children's Advocate

Hon. Mr. Van Mulligen: — Thank you, Mr. Speaker. At the conclusion of my remarks, Mr. Speaker, I will be moving a motion that Dr. Deborah Parker-Loewen be appointed by this Assembly to a second five-year term as the Children's Advocate for Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Van Mulligen: — Back in 1987 the Provincial Ombudsman recommended to the government that children in Saskatchewan needed someone to speak for them, to advocate on their behalf. He made this recommendation because of the quantity and nature of the problems with which children and young people approached his office.

In 1992 the government appointed an independent task force to examine options for child and youth advocacy.

The task force undertook extensive public consultations and concluded that Saskatchewan needed an advocate who would: be willing to be a strong voice for children and youth in crisis; protect the interests of children and youth receiving services from the government, and ensure the services provided are appropriate; conduct research to improve the interests and well-being of children; review and investigate the matters that come to his or her attention; provide advice to any minister responsible for services to children; engage in public education and prevention activities; and be visible and accessible to the community.

The government adopted the recommendation of the task force and recruited the most suitable candidate for this important office after an open and public competition. After a thorough and intensive search, and a consultation process which involved members of both opposition parties. We were fortunate enough to find such a person in Dr. Deborah Parker-Loewen.

Mr. Speaker, I am sure that all members of this Assembly will agree that Dr. Parker-Loewen has proven to be more than capable as the Children's Advocate. As the province's first Children's Advocate, she had the task of establishing the office, clarifying its mandate, and setting its initial direction. I think this Assembly would agree, Mr. Speaker, that she has done a good job.

Since it was established in 1994, the office has seen a tremendous growth in the number of people who have turned to the Children's Advocate for assistance. In fact, Mr. Speaker, between 1996 and 1998 the number of files opened by the Children's Advocate almost tripled to nearly 900 annually. In addition to that, in 1998 alone, the advocate and her staff completed 111 public presentations.

Dr. Parker-Loewen's qualifications for this position are beyond question. A Masters of Education in educational psychology and a Ph.D. (Doctor of Philosophy) in developmental psychology; along with her experience as regional executive director of the Yorkton mental health region, director of child and youth services; and an early childhood psychologist for Yorkton community health services; a member of the Yorkton race relations committee; and an off-campus lecturer for the Saskatchewan Indian Federated College on the Cowessess Reserve leave no doubt as to her qualifications and ability.

Since Dr. Parker-Loewen officially assumed her position as the Children's Advocate on November 7, 1994, she has demonstrated an unwavering commitment to the children for whom she is responsible. And, Mr. Speaker, she has performed her duties in a professional and judicious manner. Mr. Speaker, the original appointment of Dr. Parker-Loewen was the result of the consultation and unanimous agreement of all members of this Legislative Assembly.

I am confident that this Assembly will once again extend a solid vote of confidence in Dr. Parker-Loewen's ability and performance by appointing her to a second five-year term as the Saskatchewan Children's Advocate.

I would like to conclude my remarks, Mr. Speaker, by making the following motion:

That a humble address be presented to Her Honour the Lieutenant Governor recommending that the Lieutenant Governor in Council reappoint Dr. Deborah Parker-Loewen, of the city of Saskatoon, in the province of Saskatchewan, as Children's Advocate pursuant to section 12.1 of The Ombudsman and Children's Advocate Act.

I so move, Mr. Speaker, seconded by the member for North Battleford.

Some Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker, I'd like to just make a few comments before I would like to move an amendment to the motion.

In regards to the child's advocate position and certainly the office that it holds and certainly the member that currently holds that office, as the minister indicated that this is a five-year appointment, as are all the other appointments in the Legislative Assembly. All bodies in an opportunity to review.

And our caucus has always felt, even when we agreed to and participated in the original appointment and the open discussion in regards to the appointment to which Ms. Loewen eventually received the appointment, that there should be an open and consultative process in this appointment.

And we have suggested to the government that there be an open process after the five-year term, as we do have in other agencies. And that doesn't take away from any individual, including the current child advocate, of reapplying having shown that she has really been working diligently on behalf of the children of the province of Saskatchewan.

And it's with that regard and looking at the institution and the fact that we have an open and consultative process, that we feel that that should be continued to be noted rather than just accepting the fact that if a person's been automatically appointed that that continues to roll.

We feel, Mr. Speaker, at the end of the day that people want to have that open and consultative process; the opportunity to really review, if you will, the position, not taking away from the work.

And I believe Ms. Loewen, as well, currently is in the process of putting together a report which we look forward to receiving in this Assembly in the near future. And at that time we look forward to reviewing the report. But at the same time it's appropriate that we honour the institution and the process of the institution.

And with that in mind, Mr. Speaker, I would like to move an amendment to the motion, seconded by the member from Melfort:

That all the words after "that" be deleted and the following substituted:

the Legislative Assembly conduct an open search and hiring process to fill the office of The Children's Advocate.

The division bells rang from 11:11 a.m. until 11:13 a.m.

Amendment negatived on the following recorded division.

Yeas — 22

Elhard	Julé	Draude
Boyd	Gantfoer	Toth
Peters	Eagles	Wall
Bakken	Bjornerud	D'Autremont
McMorris	Weekes	Brkich
Harpauer	Wakefield	Wiberg
Hart	Allchurch	Stewart
Kwiatkowski		

Nays — 29

Trew	Hagel	Van Mulligen
MacKinnon	Lingenfelter	Melenchuk
Cline	Atkinson	Goulet
Lautermilch	Thomson	Serby
Belanger	Nilson	Crofford
Hillson	Kowalsky	Sonntag
Hamilton	Prebble	Jones
Higgins	Yates	Harper
Axworthy	Junor	Kasperski
Wartman	Addley	

The division bells rang from 11:16 a.m. until 11:17 a.m.

Motion agreed to on the following recorded division.

Yeas — 51

Trew	Hagel	Van Mulligen
MacKinnon	Lingenfelter	Melenchuk
Cline	Atkinson	Goulet
Lautermilch	Thomson	Serby
Belanger	Nilson	Crofford
Hillson	Kowalsky	Sonntag
Hamilton	Prebble	Jones
Higgins	Yates	Harper
Axworthy	Junor	Kasperski
Wartman	Addley	Elhard
Julé	Draude	Boyd
Gantfoer	Toth	Peters
Eagles	Wall	Bakken
Bjornerud	D'Autremont	McMorris
Weekes	Brkich	Harpauer
Wakefield	Wiberg	Hart
Allchurch	Stewart	Kwiatkowski

Nays — nil

Some Hon. Members: Hear, hear!

The Speaker: — Order, order. Order. Hon. members, the Table officer is directly in front of me and I can't hear him. Please.

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 13 — The Education Amendment Act, 2000

Hon. Mr. Melenchuk: — Thank you, Mr. Speaker. I am pleased to rise today to outline for all members the background and substance of the amendments to The Education Act, 1995 that are included in this amending Bill.

The Education Act, 1995 provides the fundamental statutory underpinning for the provisions of K to 12 education in our province. It sets out the governance structure of service delivery through locally elected boards of education. And within this broad framework it reflects the constitutional provisions for school divisions operated by electors of the Protestant or Roman Catholic religious minority and the francophone linguistic minority.

Members will appreciate that in view of the broad range of matters covered by the Act, there is a regular need to update its provisions to reflect changes in the system, to remove outdated provisions, and to address issues of law, policy, and administration. I understand that in virtually every year for the past decade or more amendments of some type have been needed for one or more of these reasons. Mr. Speaker, the same is true again this year.

The amendments in this Bill do not reflect any major policy direction shifts or any significant change in the legislative framework; rather they deal with a number of discreet, specific

topics which each require some type of change. In a moment, I will outline the specific amendments involved.

First, however, I want to emphasize that these amendments have all been prepared in consultation with our provincial partner organizations: the Saskatchewan School Trustees Association, the Saskatchewan Teachers' Federation, the League of Educational Administrators, Directors and Superintendents, and the Saskatchewan Association of School Business Officials. In some cases, the need for an amendment was first identified by one of these organizations, while in others the amendment originated within the department, or the Department of Justice. But in all cases the partners have had an opportunity to review the proposed changes and comment on them.

Mr. Speaker, I would now like to speak briefly about each of the categories of amendment in the Bill. First there is a series of amendments dealing with the process whereby members of the Roman Catholic or Protestant minority faith in a community can determine whether they wish to establish a minority faith separate school division.

Experience with the existing provisions over the past couple of years has shown that they are not sufficiently clear in certain respects and that they have been very difficult to administer in an efficient and effective way. The amendments are designed to overcome these problems in several ways.

The current provisions allow for minority faith electors to petition to establish a separate school division based on the boundaries of a historical school district. These districts ceased to exist entirely when the current structure of school divisions was established in 1978. And many of them had disappeared long before then as they became part of larger school units in 1944.

These old school districts were based on an area only 5 miles by 4 miles. In the context of education delivery today, they are clearly no longer a viable basis for establishing a school division.

The proposed amendment will eliminate the option of establishing a separate school division in this way while retaining the more reasonable option of using current day school attendance area boundaries.

A second amendment will increase the number of signatures required on a petition to initiate the process for establishing a separate school division from three to six. As well, petitioners will now be required not simply to provide a list of electors of the minority faith in the proposed area but also to provide reasonable evidence showing that these electors do in fact constitute a minority of electors in that area. At present there is no clear requirement or process for establishing this key information.

The final amendments in this area will separate the vote among minority faith electors from the meeting that the electors are required to hold to discuss the petition. The current process calls for the vote to be taken at the end of the meeting and usually means that the vote is conducted and the ballots are counted by the individuals who actually sponsored the petition

in the first place.

The proposed amendments will provide for the vote to be conducted on a later date by neutral officials. All minority faith electors in the area will then have an opportunity to cast their ballot in a neutral environment through a more standard voting procedure.

Mr. Speaker, I want to emphasize that the amendments I have just described do not in any way affect the substantive constitutional rights of the Roman Catholic or Protestant religious minority to establish a separate school division. The sole purpose of the amendments is to help ensure that these rights can be exercised through a clear, fair, and consistent process.

These amendments have the support of the Catholic section of the Saskatchewan School Trustees Association which has described the existing provisions as archaic and dysfunctional.

Mr. Speaker, I will move on now to the other amendments of the Bill. First, several sections of the Act prescribe dollar values for purposes of tendering requirements for school divisions. That is, when a board is obtaining goods or services beyond a certain value, it must call for public tenders. The dollar amounts currently prescribed in the Act have not been changed since 1978. Given the impact of inflation over the years, the amounts have become smaller and smaller in real terms.

Mr. Speaker, while boards of education need to be open and accountable to the public for the conduct of their affairs; they also need the capacity to conduct business in an efficient and timely way. To update the accounts set out in the Act to more realistic, current-day levels while maintaining reasonable accountability, the dollar amounts will be doubled from those that have been in place for over 20 years.

Mr. Speaker, a second amendment deals with the important area of services to pupils with a disability. At present, these sections still include several references to the provision of such services in institutions. These references are inconsistent with the philosophy that services for these pupils should be designed on an individualized basis and that wherever possible, these pupils should be integrated into the regular classroom setting.

Although removal of these references will have no practical impact on service delivery, it is important that the language we use in our legislation reflect the principles and policies to which we all subscribe.

The third amendment I wish to outline deals with the sale of school property. The basic requirement of the legislation is that boards of education must publicly tender the sale of school property. Certain exceptions are provided where the property is to continue being used for educational purposes or is to be used for some other community purpose. In these cases, the school property can be sold directly without tendering to authorities such as a municipality, the federal or provincial government, or an Indian band.

This Bill includes an amendment that will extend a list of organizations and authorities to whom a school board can sell school property without tendering to include a registered,

independent school.

Registered, independent schools are recognized by the Department of Education based on having acceptable standards in terms of program, staffing, and facilities. For legal purposes, their students are defined as meeting the compulsory school attendance requirements. In some cases, Mr. Speaker, these schools have entered into close working relationships with the school divisions in their community. The proposed amendment will enable a school division that no longer needs a school or part of a school to sell that property directly to a registered independent school for continued use as an educational facility.

The amendment will not impose any obligation on a board to sell school property in this way, but will simply eliminate a barrier to their doing so in a case where the board believes that it would be in the interests of the community and in the interests of their students.

Mr. Speaker, all of the other amendments in this Bill either deal with straight forward administrative matters or can be described as housekeeping or consequential amendments, and I will describe them very briefly.

First, the provisions dealing with the conflict of interest for school trustees are amended to restore the original meaning and intent. When the Act was thoroughly revised in 1995 these provisions were re-drafted in a way that inadvertently changed their substance.

Second, for purpose of collective bargaining every teacher is in scope unless he or she is designated out of scope by the educational relations board. An amendment will designate directors of education of school divisions as being automatically out of scope given that they are the chief executive officers of those divisions. This amendment will eliminate the need for boards to go through the administrative process of having their director designated out of scope every time they appoint a new director.

Third, on the advice of the Department of Justice certain provisions relating to the school division tax loss compensation fund are being moved from the regulations into the Act itself. There is no change in the actual legal requirements.

And finally all provisions of the Act that relate to post-secondary education are being amended or repealed. These changes are consequential to the introduction of a new statute by my colleague, the Minister of Post-Secondary Education and Skills Training that will make these provisions redundant within our Act.

Mr. Speaker, all of the amendments that I've outlined contribute to ensuring that The Education Act, 1995 remains up to date, and that it continues to serve the various needs and interests of all those involved in the delivery of K to 12 education services to Saskatchewan students. As I've previously indicated the Bill has been prepared in consultation with our education partners.

Mr. Speaker, I am pleased to move therefore that Bill No. 13, An Act to amend The Education Act, 1995 be now read a second time.

(1130)

Some Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, just before I move to adjourn debate on this discussion this morning regarding The Education Amendment Act, 2000, and I would like to just compliment . . . First of all, as I was listening to the minister and the explanation, there's no doubt we needed some real clarification on a number of issues in regards to education and educational services, schools, school districts, divisions, separate schools, and this piece of legislation certainly does cover a number of areas.

It's not just a simple Act, and I believe my colleague, the member from Kelvington-Wadena will want to take some more time to really review the legislation that's been presented to us, take some time to digest exactly where the legislation is heading, what it's trying to address, the concerns that we may have with the legislation. And just from the few simple comments that the Minister of Education has given us, certainly there are a number of issues as I was listening to the debate, that it seems that clarification was needed on a number of issues.

Some things we'd like to address and look at very carefully so that we're not just giving a nod to a piece of legislation that on the surface may seem and may address some very simple issues. And as well, as we look in a little more in depth, there may be some concerns we would like to bring forward to the Minister of Education to see to it that the current changes to the Act indeed address all the issues and all the concerns out there.

So having said that, Mr. Speaker, I would therefore move to adjourn debate.

Debate adjourned.

Bill No. 1 — The Farm Financial Stability Amendment Act, 1999

Hon. Mr. Lingenfelter: — Mr. Speaker, I am pleased to speak to The Farm Financial Stability Act, and in saying that, Mr. Speaker, I want to say these amendments will strengthen the livestock loan guarantee program.

Mr. Speaker, the livestock loan guarantee program has been instrumental in expanding and diversifying the livestock industry in Saskatchewan for a number of years. Our government has expanded the livestock loan guarantee program and last spring we added bison and sheep to the program. This program gives individual producers in these trying times, economically, another option in their farming operations.

I might add, under the program, individual producers can benefit by forming producer associations and these producer associations have the advantage in that they can access competitive financing and interest rates. With the government guarantee, association members have the added benefit of minimum down payments.

Mr. Speaker, these amendments are required to strengthen the procedures where producer associations are winding down or where guarantee has been paid by the government to the lender.

We want to authorize the producer association to be able to deduct from the proceeds of sales, the amount a producer owes to that particular association.

So, Mr. Speaker, by strengthening the procedures, the risk to the association, the lender and the government are reduced. These amendments were developed in consultation with lenders; most importantly, with producer associations from across the province; and of course, the Saskatchewan Cattle Feeders Association. These groups are in agreement with the amendments that I have mentioned here.

So in conclusion, Mr. Speaker, the livestock industry as we know it is very vital to the long-term stability of rural Saskatchewan, and I would ask all members to support these amendments and quickly give second reading passage to this Bill.

Some Hon. Members: Hear, hear!

The Speaker: — Order, order, please. I would ask the Hon. Minister of Agriculture to please read the Bill that he intends to move.

Hon. Mr. Lingenfelter: — Mr. Speaker, as I mentioned I would like to repeat this part at least, I'd ask members to support these amendments and quickly give passage, and I would move second reading of the Bill No. 1, An Act to Amend The Farm Financial Stability Act.

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, a few comments, and I might add at the outset, that I was listening very intently and I caught that little comment by the minister about the fact that he felt the Assembly could move very speedily to move this Bill forward.

However, I would suggest, Mr. Speaker, if most people were listening to . . . or are listening to the debate this morning and they hear the term, The Farm Financial Stability Amendment Act, there are many producers out there would begin to wonder exactly where the government is heading. Because I think a lot of producers are, would . . . don't really believe we have a farm financial stability in the province of Saskatchewan right now.

Now I understand where the minister's going with this piece of legislation. The minister is certainly looking at the livestock end, the livestock sector in this legislation and trying . . . the government, as I understand it, is trying to come up with programs that would encourage more and more producers to begin looking at livestock as an option in their farming operations, given the current crisis we're facing in the grain industry, Mr. Speaker.

However, I think a lot of producers as well would love to have seen the provincial government give some leadership in addressing some of the problems in the grain industry and coming forward with some suggestions and even entering into some serious debate with the federal government to bring, if you will, some stability into the farm economy when it comes to the grain sector.

Mr. Speaker, there's no doubt about it that there is a place for livestock production in this province, and many producers have

been making that choice and will continue to make that choice as a . . . not only as a result of the economic times, but because the realities are the livestock sector is a growing sector and will be an ongoing sector that is needed in regards to agriculture in the province of Saskatchewan and the economy not only of this province but of this country as well.

However, Mr. Speaker, at the end of the day I think what most producers are looking for, what small communities are looking for, what businessmen and women are looking for is some stability in the overall sector of agriculture, not just one area — not just the livestock sector, but the grain sector as well.

And having said that, Mr. Speaker, I think it's appropriate that we do take some time to review this piece of legislation in depth, in a little more depth, to see to it that the concerns that are being raised with our caucus, with our members, are indeed listened to, the issues that the minister has been talking about in his presentation are addressed very carefully, and that the legislation indeed, at the end of the day when this Assembly passes it, do meet the needs of the ongoing livestock industry, the producers, and the expanded livestock industry including bison and elk and other forms of livestock production.

Having said that, Mr. Speaker, I move to adjourn debate.

Debate adjourned.

Bill No. 2 — The Animal Identification Amendment Act, 1999

Hon. Mr. Lingenfelter: — Mr. Speaker, it's my pleasure to speak to The Animal Identification Act amendments.

Mr. Speaker, the sustainable growth of the livestock industry is vital to the rural economy of our province. The livestock industry has always seen the need for animal identification or brands which ensure ownership.

In consultation with the livestock industry, the government enacted the governance and enforcement of legislation of the marks for identification of animals amendments in 1978. Included in that was electronic identification.

Now, Mr. Speaker, I think it's interesting when we look around the world and identify that many consumers in many parts of the world are becoming more and more concerned about where the food they consume comes from and a record of what was the process from the time of birth of an animal. For example, what feedlot it was fed in, which slaughtering plant it was processed at, what company shipped it.

And it's interesting to note that in some areas of Japan and Germany and other parts of the world, many consumers want to be able to read on a bar code — if you pick up a package of meat — the complete history of where that particular product came from.

And I might add in doing that, there's a very large growing body of economists who believe that Canadian producers can achieve a very large premium on the products that they produce because of the pristine atmosphere that we grow our livestock in and the great care that we as producers take. That by using

electronic identification that we can actually add a great deal of value at a very low cost to the particular livestock that we produce in this province.

And electronic devices are being used for horses and pets, but these animals are different from cattle, obviously, which go to slaughter. So far, electronic identification devices have not been feasible for cattle because the devices migrate throughout the animal and packing plants do not want to . . . a microchip showing up in somebody's steak or hamburger.

So there are these concerns. And there may come a point where the technology will make it feasible for this kind of electronic monitoring in our cattle herds and even in hog production.

And for that reason the government has consulted with stakeholders in the livestock industry, and Mr. Speaker, we want to take the registration and the enforcement of electronic devices out of the Act and repeal the provisions for dealers of electronic devices to be licensed.

At the same time, we want to broaden the provision of the Act to enable the government to regulate registration and licensing of electronic identification devices at some future date if the need is expressed by the industry.

And with that in mind, Mr. Speaker, these amendments have full approval of the shareholders, as we like to be able to consult and get approval. And I would ask members again to support these amendments and that we quickly move through second reading.

And I would move second reading of An Act to amend The Animal Identification Act.

Some Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, as I rise to my feet, I hear the minister telling me how good his piece of legislation is. I think that still . . . there's still a question out there in regards to the legislation that is before us.

In fact, Mr. Speaker, over the past few weeks, just attending some auction sales and auction marts, bull sales, around my constituency and other parts of the province, I run into many livestock producers who have some real serious questions about the animal identification that we're talking about. And we've certainly heard discussion about implants, and the minister referred to that in the debate this afternoon.

What we're seeing right now is the idea of possibly ear tags. And the unfortunate part in that regard, Mr. Speaker, anyone who's been involved in the livestock industry through the years has found that we still haven't come up with an ear tag system that is fail proof.

And what I mean by that, Mr. Speaker, is a system or a tag that does not get lost. And whether it's an ear tag or a brisket tag or a larger tag or even just a small metal tag, there are still some issues that arise from that.

And, Mr. Speaker, when we talk about consumers wanting to know where the product that they are eating or consuming is

coming from, the minister's quite correct. The consumer is becoming more demanding and certainly looking for something that would identify the food that they're eating is coming out of a base that there aren't a lot of additives in the product, that it's coming out of an environmentally friendly atmosphere.

And I know the packing industry and the feedlot industry in this province, and certainly in Western Canada, are quite concerned about that as well. And that's why I believe you will find many feedlot operators are doing everything in their power to establish a feeding system that really treats the livestock in their care with a lot of regard and respect, thinking about the consumer at the end of the day.

(1145)

While I appreciate the fact that the minister is talking about a system that we need that can be traced back and that we can follow through on, one has to wonder if at the end of the day we have this animal identification and it's something like an ear tag number, if indeed that will still alleviate some of the concerns out there.

Certainly we have the animal rights movement continue to — if you will; I have to use the word — fearmonger with the consumer, and basically putting a lot of onus on the producer out there.

And I believe many producers are working very diligently, and the livestock that they raise is their livelihood. And I haven't seen a producer yet that mistreats an animal. I have seen a producer doing everything he can to treat that animal with respect because his livelihood depends on that animal.

But if there's a real concern out there, Mr. Speaker, it's a concern arising from the fact if a producer doesn't enrol in the system, does that producer then not have the ability to buy or sell in the marketplace? Does that producer actually have the ability to continue to raise livestock?

And those are some of the questions we want to look at.

I believe, as well, that there is a current Bill before the federal House as well, in dealing with this issue. And there are a number of questions that we certainly want to take the time to debate and to raise with the minister.

We want to review the Bill somewhat more carefully to indeed make sure that we are representing the voices and the concerns.

And so, at the end of the day, when the piece of legislation moves forward, and if you will, if there are some amendments needed that producers would like us to bring forward . . . that we can discuss this with the minister, and see to it that when the Bill finally passes this Assembly, it meets the needs of the industry out there and the producers involved and all those who are concerned.

With having said that, Mr. Speaker, I now move to adjourn debate.

Debate adjourned.

COMMITTEE OF FINANCE

Motions for Interim Supply

The Deputy Chair: — Members of the Assembly, the business before the committee is continued consideration of an Appropriations Bill. And just before we get started on that, I'd like to invite the Minister of Finance to introduce his officials.

Hon. Mr. Cline: — Yes. Thank you, Mr. Chair. My officials with me today are the same officials that were with me yesterday and they are Mr. Paul Boothe — or Dr. Paul Boothe if you prefer; I'm sure he'd settle for Mr. — the deputy minister of Finance is sitting to my left.

And to my right is Mr. Kirk McGregor, who's the assistant deputy minister of taxation and intergovernmental affairs. And behind Mr. Boothe is Terry Paton, the Provincial Comptroller. Behind me is Glen Veikle, the assistant deputy minister of the Treasury Board branch. And behind Mr. McGregor is Mr. Len Rog, the assistant deputy minister of the revenue division of the Department of Finance.

Mr. Elhard: — Thank you, Mr. Chairman, or is it Deputy Chairman, today? Deputy Chairman.

I have a few questions concerning the estimates of the interim supply that apply primarily to the Highways department budget. But there is another element or matter that I want to clarify before we get to that.

Yesterday in a conversation here with the Minister of Finance and our people, there was some debate at length as to whether this was a tax-grab or a tax-relief budget, and I don't want to belabour a lot of that argument. But in his defence, the Minister of Finance said that there was a couple of areas that were going to provide immediate relief in terms of tax reduction. One of them was, of course, was the PST credit that he would make available earlier in the year than most of the other provisions come into effect. And the other area he mentioned specifically was the fuel tax rebate as an actual reduction or income . . . I'm sorry, tax break that would come into effect early.

Unless the minister has some method by which he plans to rebate the fuel tax at the pumps or on the farm site or through both fuel dealers, I would beg to differ with his evaluation or his description of this tax as an immediate tax refund. It's an assumption that won't be borne out by the procedures that will be in place unless they have been changed.

As it stands right now, when you apply for a fuel tax rebate you get your results from your purchases at bulk fuel dealers mailed out to you and then you add your retail sales and you send them in, in the spring of the year; and if it's done by March 31, you are likely to get a refund sometime in May or June.

And unless that procedure's been changed, even though this tax will be credited to you retroactive to the first of the year, it still will not be payable to anybody who is eligible for the rebate until sometime after March 31, 2001. So in effect, even though the provision has been made for a rebate, it will not be available to anybody who claims it — as I understand it — at least not to the farmers until some time in the new calendar year.

And I would like him to clarify that situation for the taxpayers of this province and tell us if he has made any changes to the procedure in order for people to get their tax on their fuel back sooner than that time.

Hon. Mr. Cline: — Yes, thank you, Mr. Deputy Chairman. I think what the member is saying is largely correct, that there's tax relief retroactive to January 1 in the sense that the producer can take their receipt for gas that they've purchased for farm purchases — or farm purposes, I mean to say — and send that in, you know, and as they get more gas receipts they can do likewise.

But the member is right. The farmer is still paying the tax upfront, the gas tax — not diesel because there's no tax on farm diesel except a federal tax — but the member's right. And then the farmer will have to send in the receipts, and then we will send a cheque back to the farmer. And I think the member has described it correctly.

But I'll say this also, that one of the things that I've asked the Department of Finance to look at — this isn't for the year 2000 but for the year 2001 — is whether we could devise a system whereby when the farmer went to buy the gas for farm purposes, that we would somehow be able to provide an exemption or a rebate at the point-of-sale.

And I cannot today, I cannot today commit to the member what the system would be, but I can make this commitment: that we want to look at the way we're doing this and see if we can do it in a way that either would not charge the farmer the tax to begin with instead of sending it back after the fact; or alternatively, whether there would be some way that we could send it out on a more timely basis. And all I can commit today is that we are definitely looking at that and I am very serious about trying to do something about the situation.

Mr. Elhard: — Mr. Deputy Chairman, I appreciate the indication that some effort will be made to look at streamlining that process. If I could recommend — from my own point of view as a farmer who's already overburdened with paperwork by all levels of government — if you could devise a system where the tax would be removed at the site-of-purchase, that would be far superior and would be much more broadly appreciated and accepted by purchasers of tax-free fuel.

Having looked at the interim supply summary, I just noticed here that the provincial government is planning to give the Department of Highways an increase of about 6.6 per cent in its budget, taking it to a total of \$250 million. Now while I'm sure that the department is grateful for that increase, I'm wondering if the imposition of the 6 per cent sales tax on many of the things the department will have to purchase won't undermine considerably that amount of money. And if you could address that particular issue, I would appreciate it.

Also the two-twelfths interim supply amounts to \$41 million, a little more than that, 41 and a half; and I would like you — at least on this piece of paper that I've got that says that — I'd like you to confirm that amount if you would please.

Hon. Mr. Cline: — Well first of all, I'd like to say with respect to the member's suggestion about treatment of the farm fuel, I

think that that's a good suggestion and I'm going to ask my officials . . . and the deputy minister in charge of the revenue division is here so he has made note of your suggestion that is, in fact, something we want to pursue.

With respect to the observation about the sales tax, there may be some . . . the 6 per cent would not apply to the entire \$250 million budget. In fact it would be some considerably smaller part of that because there would be many things they'd spend money on, such as labour costs, for example, that would not . . . there's no PST on repair to real property, which includes not only home building and buildings, but also road construction and so on.

So there wouldn't be an impact of 6 per cent on \$250 million. There would be an impact on some smaller sum of money, although I cannot tell the member today what that would be, but there would be some impact. The impact would be mitigated by virtue of the fact that if it was not the province but say a road builder that was incurring some cost, then they would write that cost off as against their income, and the net effect of it taking taxes into account may not be as great.

But to the extent that the member says would there be some impact, I think there would be. Would this be a major impact in terms of the overall increase to the Highways budget? I wouldn't describe it as major, but I'd say there would have to be an impact to some extent, yes.

Mr. Elhard: — Mr. Deputy Speaker, thank you for this time to ask more questions. On the second page of this summary, I noticed that under the 2000 and 2001 *Estimates*, there's an amount of what will be I understand \$3,823,000 that show up in the column under lending and investing. Can you tell me what that amount of money represents, please?

Hon. Mr. Cline: — I'm sorry, Mr. Deputy Chair, I'd like — and I apologize — but I'd like the member to again repeat which numbers in this lending and investment table he's asking about?

Mr. Elhard: — I'm glad to do that. On the second page of the interim supply summary under lending and investing, there is an amount of \$3,823,000 included in the 2000-2001 *Estimates*, and I was wondering if you could clarify that amount please?

(1200)

Hon. Mr. Cline: — Yes, I can, and thank you for repeating your question. I want to say first of all, further to the last question about the PST, I should have said also that there is an exemption to be provided for sand and gravel purchased by rural and urban municipalities and the Department of Highways and Transportation. So the PST would not apply to sand and gravel purchases by the RMs, the urban municipalities, and the Department of Highways.

Moving on to the other question, the \$3.8 million, what that is, is the . . . under the short-line railways assistance program, and that was established in 1998 to provide equity financing for the purchase of abandoned branch rail lines to establish short-line railways. And the program is subject to various conditions, one of them limiting the province's total commitment to \$4 million.

And the other — I won't detail all of them unless the member wants me to — but the others generally requiring that there be an indication from RMs and perhaps urban municipalities and producers that they're actually interested in purchasing the short line and so on.

And, last . . . in the last year, 1999-2000, \$700,000 was budgeted for loans under this program. The forecast that they actually will have loaned last year is \$177,000. For this year, \$3.823 million is budgeted, and it represents the remaining balance of provincial financial assistance commitment of \$4 million.

Now, so the money is there for short lines, and it can be used for that purpose. How much of the money will be accessed and so on would depend upon whether we were able to find producers and municipal governments, you know, that wanted to purchase the short lines, in which case, we would get involved with the program.

And I want to say to the member . . . just perhaps in anticipation of another question that might arise. If at the end of the day, we don't actually commit this money to this program — if there aren't takers for it — it's my general view that we would want to use this money to support the transportation system in rural Saskatchewan in some way. But we'll see what happens over the next year in terms of whether we get more short lines going. But that is what that money is for.

Mr. Elhard: — Mr. Deputy Chairman, my thanks to the minister for that response.

I would like to continue my line of questioning, in keeping with the 6 per cent PST. I appreciate that the tax will not be applicable to sand and gravel stockpiled by the government or the RMs. Will that tax, however, work its way into the costs of the department through the purchase and sale of equipment by various road-building contractors that might be asked to do work to the department? And have you factored that particular cost to the contractors into your estimates for both road repair and maintenance and road construction?

Hon. Mr. Cline: — Yes, as I said earlier the PST would affect the cost to some extent of the road builders as they purchase some items where the PST might apply where it didn't previously apply. That would not be with respect to all of their costs because there would be many of their costs where the PST would not be charged such as for labour. But I think we have to acknowledge that road builders, like others, would to some extent be affected by the expanded PST. It would not be to . . . on all of their purchases.

It would not be to the full extent because they would also have a tax write-off, if you will, with respect to the PST that they pay. So that the net to them would not be 6 per cent, it would be some lower percentage than that on some of the things they buy. So it would have some affect on them, yes.

Mr. Elhard: — Mr. Deputy Chairman, let me pursue that just a little bit. Are the machines that road builders going to be . . . the ones that they're going to be buying and trading in — will they be subject to the same types of rules as automobiles and trucks in terms of the cash difference application?

Hon. Mr. Cline: — Yes, they would be subject to the same rules as if you were purchasing a vehicle. And in some cases this would amount to a tax saving in the sense that right now, if they buy a new piece of equipment they will pay the PST on the total value. If they have a piece of used equipment that they . . . if they traded it in, they would pay the difference between the trade-in value and the value of the equipment that they buy.

That might also apply to a used piece of equipment. I mean, they might buy a used piece of equipment that is newer than the used equipment they had now, they would trade it in and pay the PST on the difference.

With respect to new vehicles generally we have to recognize that there may be offsetting savings because for some people, if they're buying new vehicles on a regular basis and if they're trading in, their PST bill will actually go down. It would depend on the circumstances so that in its . . . some will pay more, some will pay less.

But there is an offset to increased PST costs. And if it was done, I guess, if you were able to do it in just the right way, you actually could reduce your PST costs.

Mr. Elhard: — Mr. Deputy Chairman, I want to change the . . . kind of the direction of my questioning now and ask the minister if he confirmed that this figure of 41 million, the interim amount of money that is designated for the Department of Highways, is accurate. I believe he confirmed it somewhere in his answer. I don't remember hearing it but I'm assuming he did; let's put it that way.

And I'd like him to tell us if he can, if he can this morning, in what areas of the department are those expenditures expected to be made?

Hon. Mr. Cline: — Yes, I can confirm that certainly the amount to be allocated to the Department of Highways for April and May pursuant to this appropriation Bill would be the figure stated by the member, which is 41.674 million. And that money will be made available to the Department of Highways.

How they will spend it would be according to the estimates that are before the House in the sense that we have estimates that outline what they will spend over the year. And essentially what this does is simply give them one-sixth of their budget so that they can start to spend that money.

And in terms of exactly where they'll spend the \$41 million, that question would be more appropriately put actually in estimates for the Department of Highways, but this is the amount of money that would be appropriated to them as a result of this appropriation Bill.

Mr. Elhard: — Mr. Deputy Chairman, I would have asked the minister right away but he just left; I don't suppose that would have been appropriate.

Can you tell me, sir: what amount of revenue is anticipated to be taken in by the government in this two-month period through various fees and other charges that are applicable throughout the department?

Hon. Mr. Cline: — Mr. Deputy Chair, just for clarification, when the member says fees and charges throughout the department, is he referring to the Department of Highways or is he referring . . . (inaudible interjection) . . . Okay, he is referring specifically to the Department of Highways he's indicating. And I'll just confer with the officials and come up with the answer.

I'm advised by the officials, Mr. Deputy Chair, that there are not a lot of fees and charges levied by the Department of Highways. Last year — I'm looking actually at the *Public Accounts* for 1998 and '99 just by way of example — the fees and charges, other than some transfers from the federal government for highways programs, but fees and charges to individuals amount to something in the order of \$1.6 million.

And if we assume that that would be . . . actually they amount to about \$1 million perhaps because \$600,000 of that is under the category, other. But the point is we're not talking about a large amount of money. My guess is that the fees and charges that they have for licences and permits of various kinds and motor vehicle fees that they receive, as distinct from SGI, probably are something in the order of \$100,000 per month, roughly — not a big sum of money in the scheme of things. So that's the information that I have.

Mr. Elhard: — Mr. Deputy Chairman, I'd like to pursue that line of questioning just a bit. I understand from what the minister has said that the list isn't extensive. But I was wondering if you could give me a list of the government fees that are applicable in that department? And any other charges that are, are undertaken by the department to generate the revenue over the upcoming couple of months? And would he be willing to table a schedule of all the fees and charges for the Department of Highways for this committee's use?

Hon. Mr. Cline: — Mr. Deputy Chair, not meaning to be difficult, but just to say this is actually a question that would be appropriate for the estimates of the Department of Highways. It's not really an appropriate question for the Appropriation Bill in the sense that we don't get into all of the detail of every department here because we do do that when we get into the estimates for the Department of Highways.

And the Minister of Highways indicates that he'll be happy to take note of the question and to, to answer it in due course.

But I'll just, I'll just say that we don't see a lot of fees and charges in the Department of Highways; it's not a large amount of money.

But the Minister of Highways will be pleased to provide that information. And I really cannot appropriately provide more information in this, in this forum.

Mr. Elhard: — Mr. Deputy Chair, I'd like to address this additional question then to the minister.

As a result of your budget, can you tell us which programs or services in the department may have been eliminated or reduced?

Hon. Mr. Cline: — Mr. Deputy Chair, that would be a detailed

question for estimates of the Department of Highways. But I can tell the member that — if my memory serves me correctly — there was a question, a written question put to the Chamber, and the Department of Highways is going to have to file a response with respect to the question, to answer that question. And that question would appropriately be put in the estimates of the Department of Highways.

And I'm not meaning to be difficult; I'm just meaning to say that there are many, many detailed questions about departmental expenditures, and we'll be bringing every department before the Legislative Chamber for those questions to be asked. And we'll be looking at the budget of each department on a line-by-line basis.

But those questions . . . the questions today are more in the nature of more general questions with respect to the appropriation, The Appropriation Bill before the House.

(1215)

Mr. Elhard: — Thank you, Deputy Chairman. As this is a learning experience for many of us, I'll beg forgiveness and the minister's indulgence, and I'll leave the questioning at that. Thank you.

Mr. Wakefield: — Thank you, Mr. Deputy Chair. I have questions for the minister, and I want to welcome all his officials here. And I'm looking forward to trying to learn a little bit more about what is stated in the *Estimates*, and in particular, with the urgent need for the interim.

First off, if I could, Mr. Minister, I want to just go back a little bit from the things that I heard yesterday and I was listening very intently — when you were talking about the Fiscal Stabilization Fund amount — and trying very hard to understand.

So please forgive me if we go over some of this material again because I think it's very important for people on this side, people in the House generally, people in the province to understand how these different numbers and things fit together because I guess in my estimation of what we're doing here is something like this: I try to think of a situation that . . . what I would understand maybe in a commercial world or a corporate world, and what you're doing is you're projecting what you, as a corporation or the government, is expecting to expend next year, what the revenues will be.

And on that basis, you are in fact coming to the legislature for the approval of that, just as a corporation would go to a bank or a lending institution for an operating line of credit or to get permission to move ahead with your particular business plan. And I look at the budget as a particular business plan for your operation.

Now in any corporation, it would seem to me, the thing that you have to do is what you were talking about yesterday, and you were trying to put some contingency in a fund called Fiscal Stabilization Fund.

And I assume that that fund is, as in any corporation that sets aside quote "money" for a stabilization or a contingency, the

fund does not have any money in it other than it is — and maybe the fund is the term that is confusing — the fund is rather a contingency and you will draw on that, if in fact things don't happen the way you plan or if there's something extraordinary.

So that fund being a contingency, you deduct it I guess from the total amount that you feel will be a surplus for the year. But in fact it is there; it's a protected amount of money. And if it is there and protected, tell me where in the papers that you presented that that will actually show as an asset even though there isn't any money in that.

Hon. Mr. Cline: — I thank, Mr. Deputy Chair, I thank the member for the question. It shows on page 10 of the *Estimates*, there's an item called Fiscal Stabilization Fund and the amount scheduled to be in the fund at the end of the fiscal year is stated there in the *Estimates* on page 10.

Mr. Wakefield: — Deputy Chair. Thank you, Mr. Minister. I noted it was there, and if that in fact is included in the overall assets that you're virtually coming to the bank with as part of your business plan, I would accept that.

In the event that a contingency is not needed and the Fiscal Stabilization Fund is virtually intact, how will that be shown at the end of your business plan term, March 31, 2001? And I know you've covered some of the detail before, but just for my information again, would you repeat how that will go, please?

Hon. Mr. Cline: — Yes, Mr. Deputy Chair. In fact it's a very good question.

What we have been doing since about 1995 is putting out a four-year plan in every budget that will deal with projected revenues, projected expenditures, and so on. But dealing with the Fiscal Stabilization Fund specifically, in the budget document this year for the first time, at page 49 of the Budget Address book, there's a description of the Fiscal Stabilization Fund. And then at page 51 there's a forecast.

Now of course as the member knows, because the member's had a lot of experience in business and government both, I think, and farming, a forecast is a forecast and we hope that we'll do it as well or better than we forecast. But in any event, at page 51 of the Budget Address we forecast that at the end of the fiscal year we're in now, so at March 31, 2001, the plan is that we will have \$405 million in that fund.

And then in the next fiscal . . . And so in answer to the question, what will I report next year — I hope to report next year that that money's in the fund, that we haven't drawn on it more than we say, because we're not budgeting any draw on it this current year.

But the following year, 2001-2002, we're estimating that we will draw \$55,000 out, and then the next year \$30 million out, and the year after that \$30 million out. So we'd be left with \$290 million in the fund.

And I think the member has actually described it quite well as a contingency fund. If things go as we plan, that's how it will work. If things don't, then we may have to draw on it for other

purposes. And of course neither I nor the member, nor I guess anybody else, knows how that will go. But we're hoping we all do well.

I might add that if our projections are correct and we maintain the fund down to the \$290 million level as projected, which would be approximately 5 per cent of our revenues, we would not be putting more money into the fund next year or the year after — we would simply be leaving it at that level. But if we had to draw it down, then we would have to budget next year to supplement the fund.

So that's probably a little more detailed than the member asked for, but I hope that the information is helpful.

Mr. Wakefield: — Yes, thank you, Mr. Minister, that is helpful. Then pursuing that same line of thought that I was trying to get my head around, that protected amount of money in this particular budget, you had to find revenue somewhere else to offset that particular asset that is being set aside.

And I notice in the statement of revenues that a lot of the estimated revenues for this particular year — and I'm referring to page 12 of the statement of estimates — on that particular page I noticed that under the heading, taxes, several of those items have been increased rather substantively, the corporation capital tax, corporation income tax in particular. Sales tax of course has been talked about extensively up till now.

And under the heading, others, there's a 30 per cent tax increase from estimated 1999-2000. Is that the area that you have projected that you're going to increase — in that 30 per cent increase — is that the area where a lot of these sudden surprise fee increases and maybe service reductions can be . . . I can assume that they come out of that particular category, other?

Hon. Mr. Cline: — No, that's not correct, Mr. Deputy Chair . . . Or is it Mr. Chair? Mr. Chair. The other is other taxes, but what we've been debating in the legislature with respect to some of the other matters, they would not be in here. The other is going up mainly because of the changes to the insurance premium tax which are detailed in the budget, and that amounts to approximately \$14 million more and that takes you from the, basically, the 50 to the 65.

I should mention to the member also, it's always a bit — well not misleading — but confusing to look at the income tax of the . . . the corporate capital or the corporate income or the individual income tax estimates in the budget, the reason being that those revenues are dependent very much on when the federal government sends us the money.

And they send us the money . . . like for this current year we really may get that money for the next three years, if you know what I mean. And the figures here with respect to the corporate capital, the corporate income, and the individual income tax, they will be as reflective as what may have gone on a year ago or two years ago as they will be about the rate of income tax this year, if you see what I mean.

But in answer to your question about other, that would mainly be with respect to the insurance premium tax changes and that is detailed in the budget under other revenue initiatives at page

40. That would be the main change.

And you'll see by the way, at the bottom of page 40, a description of the various revenue initiatives introduced in the budget. And the other category basically reflects the items there, and not the other items that we've been debating which would be reflected in the figures I was referring to earlier today in the House, which are at page 64.

Mr. Wakefield: — Thank you, Mr. Minister. I just have one or two more items that I would like to clarify and it's kind of in the general sense. I would like to reserve the opportunity, as we all will I'm sure, to ask more specific questions in different departments and so on.

But I guess the one thing that still has me a little bit confused is because of that . . . and it goes back to that Fiscal Stabilization Fund thing again. Because that was protected money set aside as a contingency fund, in order to show the surplus for the year that you did you had to generate other revenues to offset that set aside in the books, but that's set aside anyway. And I guess that was . . . the tax question was basis of that.

But I've also noticed that under the revenue, again on page 11 of . . . sorry, 12 of your document, transfers from Crown equities has shown a substantive increase. Crown Investments Corporation looks like, from last year's estimate, has increased about 20 per cent, and other enterprises and funds have increased quite substantively — it looks like up to the 40 per cent range.

Can you tell me how that fits in with having to set aside that Fiscal Stabilization Fund but achieving the revenue from somewhere else?

Hon. Mr. Cline: — Yes. The Fiscal Stabilization Fund comes largely from the Liquor and Gaming Authority funds — retained earnings that are being transferred in, Mr. Chair, from the Liquor and Gaming Authority to the General Revenue Fund. And the member is correct. There is a sum of \$695 million in retained earnings that's being transferred into the General Revenue Fund, and from that amount the Fiscal Stabilization Fund will be transferred out. And really it's being created out of those retained earnings.

And then some of those retained earnings are going elsewhere because we're putting \$405 million into the Fiscal Stabilization Fund. But we also have \$150 million going into the health transition fund and \$50 million into the forest fire contingency fund and so on. So the other monies are being spent in other ways. But the Fiscal Stabilization Fund really largely comes out of those retained earnings.

Mr. Wakefield: — Mr. Minister, and Mr. Chairman, I'm going to reserve further questions at this time. Yes, and I would at this time if I could, thank the officials for joining the minister in helping us understand this budget.

(1230)

Hon. Mr. Cline: — Thank you, Mr. Chair. I'd just like to thank the members of the opposition for their questions which I think are very helpful, and I'd like to thank them for their

co-operation in getting the appropriation Bill passed, as I'm hoping it will be passed.

And I'd like to thank my officials in the Department of Finance who I think do a very excellent job for the people of the province, and I thank them for their assistance today. Thank you.

Motion agreed to.

Hon. Mr. Cline: — Yes, I would like to move, Mr. Chair, resolution no. 2 which reads:

That towards making good the supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending March 31, 2001, the sum of \$915,254,000 be granted out of the General Revenue Fund.

Motion agreed to.

The committee reported progress.

FIRST AND SECOND READING OF RESOLUTIONS

Hon. Mr. Cline: — Mr. Speaker, I move that the resolutions be now read a first and second time.

Motion agreed to and the resolutions read a first and second time.

APPROPRIATION BILL

Hon. Mr. Cline: — Mr. Speaker, by leave of the Assembly, I move:

That Bill No. 21, An Act for granting to Her Majesty certain sums of Money for the Public Service for the Fiscal Year ending on March 31, 2001, be now introduced and read the first time.

Motion agreed to and, by leave of the Assembly, the Bill read a first time.

Hon. Mr. Cline: — Mr. Speaker, by leave of the Assembly and under rule 55(2), I move that the Bill be now read a second and third time.

Motion agreed to and, by leave of the Assembly, the Bill read a second and third time and passed under its title.

ROYAL ASSENT

At 12:39 p.m. Her Honour the Lieutenant Governor entered the Chamber, took her seat upon the throne, and gave Royal Assent to the following Bill:

Bill No. 21 - An Act for granting to Her Majesty certain sums of Money for the Public Service for the Fiscal Year ending on March 31, 2001.

Her Honour: — In Her Majesty's name, I thank the Legislative Assembly, accept their benevolence, and assent to this Bill.

Her Honour retired from the Chamber at 12:41 p.m.

The Speaker: — Before I adjourn, I would just like to wish once again all members well. The time has sped quickly to this point where you can enjoy a weekend with your family, your constituents. And once again I look forward to your exuberance when you return on Monday. This House stands adjourned till Monday at 1:30.

The Assembly adjourned at 12:42 p.m.

TABLE OF CONTENTS