

The Assembly met at 1:30 p.m.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Mr. Heppner:** — Thank you, Mr. Speaker. I rise to present a petition by people from this province concerned over the price of gasoline. And I read 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 this comes from people in Kinistino, Albertville, Edmonton, and Prince Albert.

I so present.

**Ms. Draude:** — Mr. Speaker, I also have a petition to present today to save the hospitals at Lanigan and Watrous.

Wherefore your petitioners will ever pray that your Hon. Assembly may be pleased to cause the provincial government to take the necessary steps to ensure that Lanigan and Watrous hospitals remain open.

Mr. Speaker, the people that have signed this petition are all from Young.

**Mr. Gantfoer:** — Thank you, Mr. Speaker. I also have a petition that is presented by the citizens of Young concerned about the hospital in Lanigan and Watrous. The prayer reads as follows:

Wherefore your petitioners may ever pray that your Hon. Assembly may be pleased to cause the provincial government to take the necessary steps to ensure that the Lanigan and Watrous hospitals remain open.

I so present, Mr. Speaker.

**Mr. Toth:** — Thank you, Mr. Speaker. Mr. Speaker, it's fitting in light of the increase in the fuel prices this morning that we have this petition to present. I read 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.

Mr. Speaker, the petition I'm presenting is signed by people from the communities of Melfort and Saskatoon.

I so present.

**Mr. Peters:** — Thank you, Mr. Speaker. I also have a petition in regards to the high price of fuel. And 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.

And the petition is . . . Mr. Speaker, the petition is signed by people from Wakaw, Kinistino, and Weldon.

I so present.

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, I too stand today to present a petition on behalf of Saskatchewan citizens concerned about the future of the Lanigan and Watrous hospitals. And the prayer reads as follows:

Wherefore your petitioners will ever pray that your Hon. Assembly may be pleased to cause the provincial government to take the necessary steps to ensure the Lanigan and Watrous hospitals remain open.

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

And this is signed by citizens of Allan and Young, Saskatchewan.

I so present. Thank you.

**Ms. Bakken:** — Thank you, Mr. Speaker. I rise today to present a petition on behalf of people of the province who are concerned about health care.

Wherefore your petitioners will ever pray that your Hon. Assembly may be pleased to cause the provincial government to take the necessary steps to ensure the Lanigan and Watrous hospitals remain open.

And this is signed by people from Young, Saskatchewan.

I so present.

**Mr. Bjornerud:** — Thank you, Mr. Speaker. I also have a petition to present on behalf of people from the community of Young. The prayer reads:

Wherefore your petitioners will ever pray that your Hon. Assembly may be pleased to cause the provincial government to take the necessary steps to ensure the Lanigan and Watrous hospitals remain open.

I so present.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I also have petitions to present on behalf of the people of Lanigan and Guernsey who are extremely concerned about the future of their hospital in light of NDP hospital closures. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to take the necessary steps to ensure the

Lanigan and Watrous hospitals remain open.

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

**Mr. McMorris:** — Thank you, Mr. Speaker. I too have a petition to present regarding hospital closures throughout the province, and this one is in the Lanigan, Watrous area. The prayer reads as follows:

Wherefore your petitioners will ever pray that your Hon. Assembly may be pleased to cause the provincial government to take the necessary steps to ensure the Lanigan and Watrous hospitals remain open.

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

This petition is signed from the good people from the Young area.

**Mr. Weekes:** — Thank you, Mr. Speaker. I also rise to read a petition from citizens concerned about hospital closures. The prayer reads:

Wherefore your petitioners will ever pray that your Hon. Assembly may be pleased to cause the provincial government to take the necessary steps to ensure the Lanigan and Watrous hospitals remain open.

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

Signed by the people from Young, Saskatchewan.

**Mr. Brkich:** — Thank you, Mr. Speaker. I have a petition here to reduce fuel tax by 10 cents a litre.

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.

As in duty bound, your petitioners will ever pray.

Signatures are from Redvers, Saskatoon, Davidson and Girvin.

I so present.

**Ms. Harpauer:** — Thank you, Mr. Speaker. I rise today with a petition for citizens concerned about hospital closures. The prayer reads:

Wherefore your petitioners will ever pray that your Hon. Assembly may be pleased to cause the provincial government to take the necessary steps to ensure that Lanigan and Watrous hospitals remain open.

The petitioners are from the community of Lanigan.

I so present.

**Mr. Hart:** — Thank you, Mr. Speaker. I rise today to present a petition on behalf of citizens 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.

And the petitioners come from the community of Cupar.

I do so present.

**Mr. Allchurch:** — Thank you, Mr. Speaker. Mr. Speaker, I rise today to bring forth a petition to reduce fuel tax by 10 cents a litre:

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.

And the petition is signed by the good people of Spiritwood and also one from Edmonton.

I so present.

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. I rise today to present a petition to retain Lanigan and Watrous hospitals. The prayer reads as follows:

Wherefore your petitioners will ever pray that your Hon. Assembly may be pleased to cause the provincial government to take the necessary steps to ensure the Lanigan and Watrous hospitals remain open.

As is duty bound, your petitioners will ever pray.

The petition is signed by the good citizens of Young, Saskatchewan, Mr. Speaker.

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 the Assembly on the following matters:

To cause the government to keep the boundary road near Okema Beach open;

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

To ensure the Lanigan and Watrous hospitals remain open.

#### NOTICES OF MOTIONS AND QUESTIONS

**Mr. Brkich:** — I shall give notice that on day no. 56 ask the government the following questions:

To the Minister of Agriculture: how many outstanding

claims are currently being processed or otherwise handled by the Saskatchewan Crop Insurance Corporation; how many of the current outstanding claims were submitted less than six months ago; how many of the current outstanding claims were submitted between six months and one year ago; how many of the outstanding claims were submitted between one and two years ago; how many of the outstanding claims were submitted between two and three years ago; how many of the outstanding claims were submitted between three and four years ago; how many of the outstanding claims were submitted between four and five years ago; how many of the outstanding claims were submitted five years or more?

**Ms. Bakken:** — Thank you, Mr. Speaker. I give notice that I shall on day no. 56 ask the government the following question:

To the Minister of Health: were any of the 1999-2000 annual health district budgets initially submitted to the Minister of Health for approval altered by the Minister or Department of Health officials prior to their approval; if so, which districts had their budgets altered and what were the specific changes made or ordered by the Minister in each case?

**Ms. Draude:** — Thank you, Mr. Speaker. I also give notice that I shall on day no. 56 ask the government the following question:

To the Minister of Economic Development: of the companies listed under the accounts resolved column in the 1999 Saskatchewan Opportunities Corporation annual return, what were the details regarding the final resolution of each of these accounts?

Also on day no. 56, I ask the government the following question:

To the Minister responsible for the Women's Secretariat: which employees of the Women's Secretariat attended the Women's Organization On Line Conference in Saskatoon on May 29 and 30, 2000 and what are their job titles; second question, what was the role of each at this conference; were any instructed by their superiors to make any statements or allegations about any members of the legislature to those attending the conference; and what is the minister's policy regarding public servants making political statements while at such conferences in their role as employees of the secretariat?

And, Mr. Speaker, I have another question to the Associate Minister of Health:

Regarding the two audits done for the provincial government regarding the Uranium City hospital which the minister discussed in the legislature on May 31, 2000: what was the cost to the government to have these audits conducted and who conducted them?

#### INTRODUCTION OF GUESTS

**Hon. Mr. Cline:** — Thank you, Mr. Speaker. It's a pleasure for me to introduce to you and through you to other members of the

legislature, some special guests seated in your gallery. Firstly, His Excellency Mr. Urs Ziswiler who is the ambassador to Canada from Switzerland. And he is accompanied by Mr. Pierre Riem who is the consul general of Switzerland in Toronto. And they arrived in Regina yesterday.

They are visiting with the Lieutenant Governor, the Speaker, the Minister of Economic and Co-operative Development, the Minister of Justice and Attorney General, the Minister of Intergovernmental and Aboriginal Affairs, the Leader of the Opposition, officials with the Department of Agriculture and Food, officials of Saskatchewan Trade and Export Partnership, and the mayor of Regina. They're also visiting the University of Regina.

Tomorrow they're meeting with representatives of Tourism Saskatchewan and the Regina Chamber of Commerce. And they are visiting 15 Wing in Moose Jaw where they will be having a briefing tour and lunch hosted by Col. Marc Ouellet.

And then they are travelling to Saskatoon, Mr. Speaker, for more visits. So it's obviously a very action-packed visit to Saskatchewan.

And I had the honour at noon today of hosting the ambassador and Mr. Riem at a very nice lunch in the members' dining room, which was very enjoyable and informative. And I know that all members will want to join with me in very warmly welcoming the Ambassador and the Consul to our legislature today. Thank you.

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

**Mr. D'Autremont:** — Thank you, Mr. Speaker. On behalf of the official opposition, I would like to join with my colleague opposite in welcoming Ambassador Ziswiler and Mr. Pierre Riem to Saskatchewan, to beautiful flat Saskatchewan. I know that's a little different than your home country. Here it gives you an opportunity to see our vast expanses.

We hope that the trip proves very fruitful and beneficial to us all, and welcome to Saskatchewan.

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

**Mr. Elhard:** — Thank you, Mr. Speaker. I can't believe my good fortune. Yesterday I introduced three people from the Cypress Hills constituency and today I have the good fortune of introducing 46 students representing one of those outstanding schools in the Cypress Hills constituency.

These students are from the community of Frontier, and they travelled part of that notorious Highway No. 18 to get here today.

These students, Mr. Speaker, whom I would like to introduce to you, are in the east gallery, on the right side of the east gallery, and there's 46 as I mentioned. They're in grades 6 to 9 and they're accompanied today by their teachers, Brad Gasper, Gail Wilson, and Sheila Erickson. And chaperones are Ernie Coakley, Tanya Howell, and Joel Christenson. And I'm sure the school bus driver was Norm Baker.

I'd like to welcome them and have all members of the Assembly join me.

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

**Ms. Lorje:** — Thank you, Mr. Speaker. I don't want to pre-empt the member from Lloydminster, but I'm sure that all members would like to join with me in welcoming two former members for Lloydminster area, two former MLAs (Member of the Legislative Assembly), Mr. Bob Long and Ms. Vi Stanger.

In their retirement, Mr. Speaker, I should point out that one grows gladiolas and the other one sows wild oats and I leave it to the members to decide which is which.

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

**Mr. Krawetz:** — Thank you very much, Mr. Speaker. Mr. Speaker, it is indeed an honour to introduce a class from the Canora-Pelly constituency that are seated in the east gallery, along with the class that has been introduced from Cypress Hills. It is my pleasure to introduce an elementary school class from the community of Foam Lake.

The group that is visiting today is 28 grade 5 students along with their teachers Ruth Gislason and Jim Hack, and also bus driver Dennis Friesen. I look forward to meeting with that group at about 2:30 and hopefully help with the explanations of the things that the students will see this afternoon, not only here in the Chamber but also throughout their tour of the building.

I ask all members to welcome this group to the Chamber here.

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

## STATEMENTS BY MEMBERS

### NDP Wood River Nomination

**Ms. Higgins:** — Thank you very much, Mr. Speaker. Mr. Speaker, last night I had the pleasure of attending the New Democratic Party nomination meeting for Wood River. I am delighted to report that Robert Anderson, a Shaunavon area farmer and businessman, will once again be our candidate for that area.

Robert is an outstanding, respectable, community-minded individual who was unchallenged in his bid to be our candidate. And in spite of a wonderful rainy evening — that will help the seeded crops — and very busy schedules of the constituents, there was twice the number of people attending this party event last night than attended the nomination a year ago.

Clearly the support for the New Democrats in this constituency is growing. An enthusiastic crowd of New Democratic supporters was very upbeat. We have a strong united campaign team in this constituency, and now that their candidate is officially in place they are more than ready to get on with the campaign.

Robert Anderson is very much looking forward to this campaign, Mr. Speaker, and he's glad voters in Wood River will have a clear choice into what type of representation they

want in this legislature.

Do they want a representative who will be a strong rural voice within government and cabinet, someone who will work positively with local communities to get things accomplished? Or do they want someone who will just to throw stones from the sidelines and continue with the negative gloom and doom message?

The Wood River NDP (New Democratic Party) campaign team is on the move.

### Drug Abuse Resistance Education Program

**Mr. Toth:** — Thank you, Mr. Speaker. Mr. Speaker, I'd just like to spend a moment today talking about something positive in the constituency. The efforts of teachers and students and the RCMP (Royal Canadian Mounted Police) certainly in my . . . in the communities of Whitewood and . . . Whitewood and Broadview.

Mr. Speaker, what I'm talking about is the DARE program, and that's the button I'm wearing today. And you may ask well, what does DARE mean? DARE is the Drugs Abuse Resistance Education.

Let me read to you what some students have said about the program. They have said:

Our right is to say no. It can damage the brain, lead to a shorter life, and get you into trouble. I think it's important to be drug free and violence free for a longer life.

The DARE program teaches young people the consequences of using drugs, positive self-esteem, and different ways of saying no.

Mr. Speaker, I would like to congratulate the students, the grade 5 students in Whitewood and also the Grade 5 students in Broadview, who will be graduating next week, for having taken the program.

I think a hearty congratulations as well has to go out Cst. Sandra Sutherland for teaching the program to the school, the teachers, and the principal for opening up the doors to allow this program to move forward.

Mr. Speaker, I think it's very important that we recognize worthwhile programs such as this, and I say congratulations to all involved.

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

### Co-ops and Credit Unions Show Profits

**Mr. Yates:** — Thank you, Mr. Speaker. More good news for Saskatchewan, Mr. Speaker. And more good news for the people of Saskatchewan who believe that working together in co-operation and supporting each other builds a better community, Mr. Speaker.

Co-ops and credit unions, Mr. Speaker, are associations that believe in those values. Co-ops and credit unions, Mr. Speaker,

allow for local autonomy, community stability, community reinvestment, and leadership development. And they are the foundation under which this province was built.

It has been a banner year for many co-ops across the province, and credit unions as well, Mr. Speaker. The Melfort Co-op had a record year with \$20.1 million in sales, 317 new members, and a profit of nearly \$1.5 million.

The Swift Current co-op made history this past year. For the first time the Swift Current co-operative surpassed \$80 million in sales. In the coming months, the Swift Current co-op will be expanding as a result.

The Swift Current credit union reported a profit of over \$2 million with improved assets, growing loans, and decreased loan delinquency. And the Kamsack Credit Union had one of its best years ever with its assets increasing by \$2.4 million.

Mr. Speaker, I wish to congratulate all the members of co-operatives and credit unions around the province for their commitment, and that their belief that working together will build a better province for us all.

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

#### **Montmartre School Green School Project**

**Mr. McMorris:** — Thank you, Mr. Speaker, I want to talk about and give congratulations to the Montmartre School. I attended an award ceremony there yesterday on a project that they have undertaken and have done very well in in the last four or five years.

The project is called the Green School Project and has been developed by the Society of Environment and Energy Development Studies Foundation, or SEEDS for short. The program encourages students to undertake projects which enhance and communicate about the environment.

The school receives recognition as it proceeds through the program to become green at 100, jade at 250 and emerald at 500, which the Montmartre School has accomplished.

The projects that these young people take — undertake — range from planting trees to giving speeches about global warming to picking garbage and cans. The imaginative projects that they have undertaken show us all that there is nothing that we cannot reduce, reuse, or recycle.

I am honoured to represent them in the legislature and once again welcomed and enjoyed their company yesterday. The students from Montmartre deserve a lot of credit and their next goal is 1000 points.

And I must also make mention that they are one of 300 schools in all of Canada that's reached this goal. Thank you very much.

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

#### **Silverspring School Sod-turning**

**Ms. Jones:** — Thank you, Mr. Speaker. The city of Saskatoon

has one of the best health care systems in the country. As my colleague from Saskatoon Southeast mentioned recently, it has a rapidly expanding economy. And, Mr. Speaker, to complete the cycle, Saskatoon is blessed with one of the best educational systems anywhere and it's getting better.

Last Friday I was very pleased to take part with the Minister of Education in the sod-turning for the new Silverspring Public School in my constituency of Saskatoon Meewasin. This school is in addition to a new separate elementary school.

Mr. Speaker, when its doors open, this school will initially welcome around 400 students, which will grow as the neighbourhood grows.

This school demonstrates our government's commitment to work with school divisions to provide students with comfortable and well-equipped learning facilities. Buildings are not everything in education, but they help. The capital budget for new construction and renovations was increased by 20 per cent. The Silverspring announcement is possible because of this increase.

Mr. Speaker, a new school is a good sign. It tells us we have a secure and growing community. It is a commitment to that community on a long-term basis. I am pleased for the future students of Silverspring school and I look forward to my first visit to their new classrooms. Thank you, Mr. Speaker.

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

#### **International Tuba and Euphonium Conference**

**Hon. Mr. Nilson:** — Mr. Speaker, there's a poem that goes something like this:

You can hear the sound from here to Aruba  
when Roger Bobo plays on his tuba.

Well, Mr. Speaker, this week people in Regina have the unique opportunity to hear Roger Bobo, the world's greatest tuba player, as well as about 500 other tubists and euphonium players all of whom are gathered in Regina for the International Tuba and Euphonium Conference. This is the first time this event has been held in Canada, and it gives us all the chance to learn first-hand about this much maligned instrument and those who lug it around.

It is worth noting that many of these delegates are getting their first look at our province and our city. This conference is good for business as well as for the ear.

I am particularly proud to tell the Assembly that this tuba conference is almost solely the work of one man who happens to be a constituent and a friend. Professor John Griffiths is the director of the conservatory of music and dance, and dean of Extension at the University of Regina. And John plays a pretty mean tuba himself with the Regina Symphony and as a soloist of world renown.

There are daily concerts by ensembles and soloists from the States, from Canada, and from Europe, and there are nightly jazz sessions. There are lectures, including one on the

psycho-sexual aspects of tuba playing which received no government funding; and a documentary on the conference is being filmed by Four Square Productions.

Mr. Speaker, we'd like to congratulate all of these tubists as they parade around Regina.

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

## ORAL QUESTIONS

### Reduction of Fuel Tax

**Mr. Hermanson:** — Thank you, Mr. Speaker. Oh my, oh my, this morning the gas prices in Regina shot up again. It's now at an all-time high — 74.9 cents a litre. And what's the NDP doing about it?

**An Hon. Member:** — Nothing.

**Mr. Hermanson:** — That's right. Absolutely nothing. For months we've been asking the Finance minister to pick up the phone and call Paul Martin and at least discuss this proposal to cut the gas tax. But the fact is, this government doesn't believe in tax cuts.

To the Minister of Finance. Gas prices are now at an all-time high. Why don't you talk to Paul Martin about a federal-provincial gas tax cut?

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

**Hon. Mr. Cline:** — You know, Mr. Speaker, the oil companies are making record profits as gas prices soar, and what is the answer for . . . that the Leader of the Opposition has? In typical Tory fashion, it's let the oil companies have all the profit and let the taxpayers and the public have none of the money from gas prices, Mr. Speaker.

And I say to the Leader of the Opposition and I say to the people of the province, this is the same kind of thinking that we saw in the 1980s when the Devine government, of which many of those members were members and supporters, cut gas taxes, let the oil companies take all the gravy leaving nothing to repair the roads, Mr. Speaker.

On the one hand they say, put money into the roads; on the other hand they say, give the people of Saskatchewan no money to fix the roads. And it doesn't add up, Mr. Speaker.

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

**Mr. Hermanson:** — Well this government, Mr. Speaker, is doing absolutely nothing. They are collecting high gas taxes and they aren't fixing the roads. They're sitting and doing absolutely nothing.

Mr. Speaker, this government doesn't spend the gas tax on highways. It doesn't do it. It might as well give some of the money back to Saskatchewan drivers.

Mr. Speaker, the NDP keeps using its argument about . . .

**The Speaker:** — Order, order.

**Mr. Hermanson:** — Thank you, Mr. Speaker. The NDP keep using this argument about highway funding. The fact is Saskatchewan's gas tax is 15 cents a litre; Alberta's gas tax is only 9 cents a litre. And I'll bet Alberta's highways are 10 times better than our highways are here in NDP Saskatchewan.

Mr. Minister, if you're not going to spend the gas tax fixing highways, then why don't you at least give drivers a break? Will you talk to the federal government about a 10 cent a litre gas tax cut cost shared by the federal and provincial governments?

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

**Hon. Mr. Cline:** — For the information of the Leader of the Opposition who is playing fast and loose with the facts, Mr. Speaker, we are spending 87 per cent of the net revenue we're taking in in gas taxes to build the road and highway system in this province, Mr. Speaker. Over the opposition of those members opposite, we're spending more money this year on highways and roads than ever before in the history of the province, Mr. Speaker.

The problem with the approach of these members, Mr. Speaker, is they refuse . . .

**The Speaker:** — Hon. Minister of Finance, to complete your answer.

**Hon. Mr. Cline:** — They refuse to learn from their mistakes of the past, Mr. Speaker. To leave all the revenue from gas tax to the oil companies who give them all the gravy and to keep nothing for the people of the province to fix the roads will either result in bad roads, such as we've got as a result of their legacy, Mr. Speaker, or it will result in a return to deficit and debt.

Let's keep collecting road tax and let's put it as we are doing, Mr. Speaker, 87 per cent into fixing the transportation system in this province, Mr. Speaker.

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

**Mr. Hermanson:** — Mr. Speaker, what can be more frightening than a Finance minister who can't do his math? Mr. Speaker, over the last 10 years, just 56 per cent of the gas tax in the province went back into highways. Just 56 per cent. That's dead last in Canada.

You're not spending the money on highways anyway so you might as well be giving consumers a break. Mr. Minister, why won't you consider a gas tax cut? Five cents from Ottawa; five cents from the province. That's a 10 cent a litre break at the pump. That will go a long way to helping customers who are now paying 75 cents a litre.

Mr. Minister, what are you waiting for? Will you at least call the federal government? Give them a telephone call and discuss this proposal.

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

**Hon. Mr. Cline:** — Well we've called the federal government, Mr. Speaker. What we've called the federal government upon to do is put some of their tax revenue that they collect into the road system in this province.

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

**Hon. Mr. Cline:** — We've been joined in that call by every province in the country, Mr. Speaker, because we're putting 87 per cent of the net revenue we receive from gas tax into the highways and roads. The federal government also has gas tax and that money isn't going into the highways and roads.

The answer is not, Mr. Speaker, to give all the money to the oil companies as the Leader of the Opposition would do. The answer is to do what we're doing. Use the money from the gas tax as eight . . . we're up to 87 per cent. Put it into the road system and rebuild the road system. And, Mr. Speaker, the Leader of the Opposition's argument that you can have no tax and spend more money on the roads is as phoney as a three-dollar bill and he knows it. He knows it.

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

#### Uranium City Hospital

**Mr. Gantefer:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Associate Minister of Health. Yesterday the minister admitted that she knew about the problems in the Uranium City hospital prior to being elected to the legislature in the spring of '98.

The associate minister said that the Department of Health learned about mismanagement problems by management at the hospital in June of that same year and conducted their own operational audit. The chairman of the Uranium City Hospital Board says the CEO (chief executive officer) and the director of nursing were both fired in the fall of 1998.

But the Acting Provincial Auditor in his spring report says the department didn't begin a forensic audit until after the hospital board requested help, and that audit didn't begin until March, a year after the associate minister knew there were problems.

Madam Minister, in light of the severe management problems that were uncovered in '98, why did it take so long for your department to do something about it?

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

**Hon. Ms. Junor:** — Thank you, Mr. Speaker. I'll go through the chronology again as I did yesterday. In June of 1998 there was a complaint filed about the mismanagement issues . . . or identifying mismanagement issues at Uranium City hospital. In July of 1998 we initiated an internal investigation of the hospital.

And in January . . . in February of 1999 we had started looking at a forensic audit. We had asked the Provincial Auditor to participate and he declined. And then we went ahead and commissioned SPMC, Saskatchewan Property Management, to do that provincial audit starting in March of '99, which was nowhere near a year after June of '98.

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

**Mr. Gantefer:** — Thank you, Mr. Speaker. Mr. Speaker, the minister says that the problems were only discovered after the audit in '99 . . . '98.

But what is alarming in the Provincial Auditor's examination of what happened in 1999, after the operational audit by the Health department and after the start of the forensic audit, he said — and he still highlighted major, major problems including misappropriation of funds by hospital board members — there was no control of inventory, no budget process or proper financial reporting.

How is it that a year after your department realized there were problems the mismanagement was allowed to continue? How is it that the CEO and the director of nursing were fired in the fall of '98 and these problems continued into '99?

Madam Minister, with all of the problems there, how could you allow budgets to keep being approved by your department?

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

**Hon. Ms. Junor:** — Before I run through the chronology again, I'd like to say that the budget still had to be approved since services still had to be delivered.

In June '98, the complaint was received. In September, an internal operational review was done; in March '99, a forensic audit. That is not a year in my calculations.

The forensic audit was given to us in March of this year and turned over to the Justice department. The Justice department now has it in their hands.

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

**Mr. Gantefer:** — Mr. Speaker, again to the minister.

Madam Minister, you were saying that you don't have any responsibility in this matter. Yesterday you told the media that your department is working very closely with the hospital to strengthen or straighten out the situation. And what has your department done?

Has the department replaced the board members who are paying themselves for personal expenses? Have they got the medical supply inventory under lock and key? Have they hired financial professionals to do the books to make sure that the budget process is properly being monitored and mandated?

Madam Minister, what are you doing on a day-to-day basis to straighten out this mess?

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

**Hon. Ms. Junor:** — Thank you, Mr. Speaker. The auditor's report and the audit suggested that the board needed some assistance in training and some of the code of conduct and conflict of interest procedures.

We have been working . . . the Department of Health has been

working very closely with the board. The board has significant challenges of geography. A board member . . . some board members have resigned for health or have died. So the board is . . . Now also that area of the province is in a transition. The Athabasca Basin is being served by Uranium City and will soon to be taken over, the services there, at Stony Rapids.

So this is a transition in the very North of our province. And there's, there are geographical and other challenges when you work so far up in the North.

**Mr. Gantefer:** — Thank you, Mr. Speaker. Madam Minister, now you're ducking behind the fact that the health system is in transition. Of course, it's in transition.

Are you going to approve the current budget for this district health board in light of all this mismanagement?

Madam Minister, you say you're helping the Uranium City Hospital Board. You've had four different facility managers since the fall of '98. Right now, I understand, you've got some guy flying out of Regina one week in the month to provide some support because you can't find anybody to work there. And probably the reason is no one knows what this transition is going to be.

In this current budget, Madam Minister, are you going to shut down this hospital? Or are you going to keep it? Are you going to convert it? Or at the very least, are you going to manage it properly?

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

**Hon. Ms. Junor:** — Thank you, Mr. Speaker. The Uranium City facility is being operated on a . . . as a health facility due to staffing issues. And like I said, there's difficulties in the North dealing with distance, geography, and the facility is being supported by a very competent administrator. We are working with them on an ongoing basis from the department.

And there are services being delivered into the Athabasca Basin that we are confident are meeting the needs of the people in the basin.

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

**Mr. Gantefer:** — Thank you, Mr. Speaker. Mr. Speaker, since the Associate Minister of Health has been hiding behind the Minister of Justice for the last two days, I'd like to direct a question to the Minister of Justice.

Mr. Minister, even though there's been two years of problems outlined by the forensic audit by the Department of Health, Mr. Minister, we understand that there have been people terminated and that the Provincial Auditor has indicated that there is very severe misdoings going on in the department.

Mr. Minister, when did you receive the forensic audit? And number two, when will you be making a decision on which charges will be laid or not?

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

**Hon. Ms. Junor:** — Thank you, Mr. Speaker. As I said, the forensic audit was completed in March of this year. It was passed on to the Department of Health who passed it on to the Provincial Auditor's Office. In April of this year, which was just one month ago, we gave it to the Department of Justice. It is now there and we're awaiting . . . their response will be forthcoming.

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

#### Review of Death at Battlefords Union Hospital

**Ms. Bakken:** — Mr. Speaker, my question is for the Minister of Health. Madam Minister, a report was released yesterday regarding the death of a patient at Battlefords hospital on Christmas Eve. The review was completed by a five-member panel appointed by the Department of Health. It was alleged by the doctors who tried to save the man's life that the lack of ICU (intensive care unit) services played a role in the patient's death but the findings of the report suggest that that was not the case.

According to the review panel, all of the necessary emergency equipment was available. The review panel recommends that the conduct of one of the doctors should be investigated by the college of physicians and surgeons.

Madam Minister, the findings of the review panel contradict the attending doctors' statements and the family is left in the middle with no answers. Madam Minister, who is the family to believe — three medical professionals in the province or your appointed review committee?

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

**Hon. Ms. Atkinson:** — Mr. Speaker, what I can tell the member is that people on the review committee: Dr. Dennis Kendel, the registrar of the college of physicians and surgeons — an outstanding medical physician in this province; Dr. Daniel Kirchgessner, also former president of the Saskatchewan Medical Association, representing the college of physicians and surgeons — an outstanding medical practitioner in this province; Ms. Helen Grimm, from the Saskatchewan Registered Nurses' Association — an outstanding registered nurse; and Dr. Stewart McMillan, a physician that is known far and wide in this country, whose credentials are impeccable.

I would ask the member: are you besmirching these citizens from the province of Saskatchewan that act independently from the government and are highly regarded professionals in this province?

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

**Ms. Bakken:** — Mr. Speaker, my question is again for the Minister of Health.

Madam Minister, the doctor involved in the case claims the report is a cover-up, a whitewash. So now there are rising concerns within the medical community and the public about who to believe.

This controversy may not have arisen if the province had an independent health care ombudsman to investigate situations



such as this. This would remove the health district, your department, and the medical professional association from direct involvement in reviewing health cases.

Madam Minister, will you appoint a health ombudsman so there is accountability in the system?

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

**Hon. Ms. Atkinson:** — Mr. Speaker, what I can say to the member is that the first recommendation from this review panel, Mr. Speaker, is that this matter be referred to the college of physicians and surgeons, Mr. Speaker.

The second thing I would say to the member opposite, is that there are . . .

**The Speaker:** — Order. Order, please.

**Hon. Ms. Atkinson:** — I can say to the member . . . and Mr. Speaker, this is an important thing. This is an important matter, Mr. Speaker, and I would ask members to listen, and . . .

**The Speaker:** — Order. Hon. members, as the minister pointed out, this is an important issue. Kindly allow the minister to be heard.

**Hon. Ms. Atkinson:** — Mr. Speaker, there are times in our health system when allegations are made and they are made by members of the public, and they are made by members of the opposition. And Mr. Speaker, we set . . . Mr. Speaker, we set in place a review, a review, Mr. Speaker, that reviewed all of the facts. They interviewed the staff, they visited the area under question. They review . . . they visited the charts, they looked at all of the documentation.

Mr. Speaker, an executive summary of the report has been released . . . Matter, the first thing is to refer this to the college of physicians and surgeons for a review. And I understand that will happen. And, Mr. Speaker, there are other recommendations that have been made and those recommendations will be followed up upon, but these members are playing politics with the public.

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

**Ms. Bakken:** — Mr. Speaker, I beg to differ with the Minister of Health. This side of the party is not playing politics. We are concerned about people's lives in this province and maintaining a decent health . . .

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

**The Speaker:** — Order. Hon. members, I was not able to hear the question. Hon. member for Weyburn-Big Muddy, your question, please.

**Ms. Bakken:** — Mr. Speaker, we have another government-ordered review now mired in controversy. The family of Mr. Robin feels they are no further ahead than they were five months ago. Mrs. Robin was there that night. She saw the health professionals at work. She knows the situation. They feel betrayed by this review.

And isn't this a reoccurring theme, Mr. Speaker? The no-fault insurance review is nothing but a complete \$90,000 fiasco. The review into Channel Lake yet another example. And now we have SPUDCO (Saskatchewan Potato Utility Development Company). People do not trust this government to look after the public interest.

Madam Minister, you could do a lot to restore public confidence in the health care system. Will you approve the establishment of an independent health ombudsman for Saskatchewan?

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

**Hon. Ms. Atkinson:** — Mr. Speaker, Dr. Stewart McMillan — who yesterday these people were crediting him with integrity — he is the chair of the review. Dr. Dennis Kendel, the registrar of the college of physicians and surgeons, whose credentials are undisputable. Dr. Daniel Kirchesner, who the member from Humboldt will know — his credentials are not disputable. And what we can say to the member is that we have a representative of the Saskatchewan Registered Nurses' Association, Helen Grimm.

Now I ask those members, when we ask for these reviews, it's to expose all of the facts, all of the facts. The facts have been exposed, Mr. Speaker, and this has been referred to the college of physicians and surgeons. And I would say to the member: stop playing politics. It doesn't look . . .

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

#### First Nations Fund

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, for the third straight year, the FSIN (Federation of Saskatchewan Indian Nations) is refusing to open the books of the First Nations fund to the Provincial Auditor. And the law requires the FSIN to allow the Provincial Auditor to audit the fund. Yet for three years in a row they have refused to co-operate. And what is this government doing about it? Absolutely nothing.

Over the past three years the FSIN has received about \$22 million in gambling revenue from the First Nations fund, yet they refuse to fulfill their legislative requirement to co-operate with the auditor.

To the minister responsible: what are you doing about it?

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

**Hon. Mr. Serby:** — Mr. Speaker, as I've said on a previous occasion, and I say to the member opposite again today and said a couple of days ago to the media, that I had a discussion with Mr. Bellegarde and the discussion that I had with Mr. Bellegarde is about looking for ways in which we might be able to work with the Provincial Auditor, the Provincial Comptroller, to look at the account that the member is speaking about.

Yesterday, Mr. Bellegarde made it very clear to the people of Saskatchewan that they're prepared to allow the opening of those books and he's going to be sharing that information with the people of Saskatchewan, and I say that to the member. That was

Mr. Bellegarde's words yesterday, Mr. Speaker.

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

**Ms. Eagles:** — Mr. Speaker, the FSIN now says they're going to run ads explaining how the money is being spent. That's nice, but it still doesn't fulfil their requirements under the law. The Provincial Auditor says the First Nations fund is a Crown corporation. The auditor says, and I quote:

It's a lot of money and we haven't been able to tell the Assembly what they've complied with the authorities that govern them. We just don't know.

Mr. Minister, that's unacceptable. This has been going on for three years. What's the point in having laws if you don't have any intention of ever enforcing them. Mr. Minister, what are you doing to force the FSIN to co-operate with the Provincial Auditor?

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

**Hon. Mr. Serby:** — Mr. Speaker, I listened very carefully to the member's comments, and I want to say to the member opposite a question. That you used a very significant word which is a part of your vocabulary over there, which is forcing people to do things. It's about forced amalgamation, it's about forced minorities, it's about forcing things to do with the people in communities.

And I say to the member opposite, on this side of the House, we use a different approach. The approach we use over here is to sit down with people, to have a discussion, to have a consultation, to recognize their inherent rights as they are with Aboriginal indigenous people. That's what we do on this side of the House.

And I say to the member opposite that we have an understanding and a working agreement with First Nations people today on many fronts. And on this particular issue, we're going to find resolve as well, as Mr. Bellegarde has said.

And I say to the member opposite, stay tuned, pay attention over the next couple of weeks or months, we'll have . . . get a resolution with this group of individuals.

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

**Ms. Eagles:** — Well, Mr. Minister, Mr. Minister, now that you've had your little rant, do you have any thoughts on the question? The FSIN is refusing to co-operate with the Provincial Auditor, and now they're asking for even more gambling money. They want more casinos, they want more share of the VLT (video lottery terminal) money, they want Internet gambling — they're asking for all of these things. At the same time, they're refusing to co-operate with the Provincial Auditor.

Mr. Minister, why would you give even more gambling money to the FSIN when they refuse to allow an audit of the \$22 million they've received in the last three years?

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

**Hon. Mr. Serby:** — Mr. Speaker, I want to say to the member opposite, as I said to her when she asked me the question last December, and it's this: that in this province, KPMG, which is the auditor of notion here, do a great deal of work in this province not only for First Nations community but across the piece. And today, Mr. Speaker, what you say to me is that this particular auditing firm isn't capable of providing the kinds of information that you're satisfied with.

Now if you have a dispute with the work of KPMG, you should be saying that the work of KPMG does not meet with your satisfaction. You should then say that KPMG's work doesn't meet with the satisfaction of school boards or health boards or municipalities across the province in which they do, which there isn't any dispute.

And so you say to the member opposite, who is it that you have the problem with here?

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

**Ms. Eagles:** — Mr. Minister, you've had a chance to do something about this situation and you blew it.

Your five-year agreement with the FSIN expired last February. You could have used that opportunity to tell them, you have to co-operate with the Provincial Auditor. Instead, typically, you did nothing. You signed an extension and the FSIN continues to defy the law by not co-operating with the auditor.

Mr. Minister, the contract extension expires in December. Why don't you just tell the FSIN that you will not extend the contract until they open their books to the Provincial Auditor? Will you do that today, Mr. Minister?

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

**Hon. Mr. Serby:** — Mr. Speaker, I want to say to the member opposite again, that on this side of the House we don't use that strong-armed tactic that you believe in, which is to go around and forcing people — forcing people — into all kinds of understandings. That's not what we do on this side of the House, Mr. Speaker.

On this side of the House, what we do is we sit down with people, we sit down with municipalities, we sit down with school boards, and we sit down with health districts and we negotiate things on this side of the House, Mr. Speaker. We don't strong arm a . . . (inaudible) . . . thing. Forcing people to do things is what you believe in; forcing people on this side of the House is not what we do, Mr. Speaker.

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

## INTRODUCTION OF BILLS

### Bill No. 79 — The Saskatchewan Centre of the Arts Act, 2000

**Hon. Ms. Crofford:** — Mr. Speaker, I move that Bill No. 79, The Saskatchewan Centre of the Arts Act, 2000 now be 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.

### ORDERS OF THE DAY

### WRITTEN QUESTIONS

**Mr. Yates:** — Thank you, Mr. Speaker. Being an open and accountable government we're always happy to answer the questions put forward by the opposition. At this time I'll table the answer to question 152.

**The Speaker:** — The answer to question no. 152 is tabled.

**Mr. Yates:** — Being an open and accountable government we always want to answer the questions. But I should point out one part of the question wasn't really a question; there's no such word. But anyway we're always happy to table an answer, Mr. Speaker.

**The Speaker:** — The answer to question no. 153 is tabled.

**Mr. Yates:** — We'd like to convert that please, Mr. Speaker.

**The Speaker:** — Question 154 is converted.

### GOVERNMENT ORDERS

### SECOND READINGS

#### Bill No. 69 — The Urban Municipality Amendment Act, 2000

**Hon. Mr. Serby:** — Thank you very much, Mr. Speaker. Today I rise to move second reading of The Urban Municipality Amendment Act, 2000. And, Mr. Speaker, this Bill introduces amendments to The Urban Municipality Act, 1989 that will do a number of things.

First, it will respond to and accept many of the recommendations made by the Property Tax Exemptions Review Committee and to the 1997 Reassessment Review Committee.

Secondly, it will implement changes to respond to specific procedural and approval issues which have arisen over the past year; and thirdly, improve the property tax assessment appeals process.

I note, Mr. Speaker, that none of these amendments in any way relate to the issue of restructuring of municipalities, the municipal government system in Saskatchewan. As you are aware, our government is pursuing this issue in co-operation with SUMA (Saskatchewan Urban Municipalities Association) and SARM (Saskatchewan Association of Rural Municipalities). And amendments from that process, if necessary, Mr. Speaker, may in fact be introduced this session, but only if in fact SUMA and SARM are interested in having that occur. Or they may occur in subsequent sittings of the legislature.

Mr. Speaker, the changes proposed in this Bill are ones that need to proceed now. They include adjustments to the new

provisions recommended by the two tax policy committees I mentioned earlier.

The proposed amendments will improve the ability of local governments to respond to the upcoming 2001 reassessment, and to manage their own financial affairs.

Mr. Speaker, each year issues are brought to our attention by municipal administrators, by local government, associations, other stakeholders, and our own officials. These amendments come as a result of our government's ongoing commitment to ensuring that local government systems work for the people as well as for municipalities. And our government is committed to the improvement of municipal government systems in this province.

Mr. Speaker, I would like now to briefly describe the key provisions in this Bill as I mention some of the amendments proposed to the recommendations made by the Property Tax Exemptions Review Committee and the 1997 Reassessment Review Committee.

Mr. Speaker, these committees examined many issues and provided a number of recommendations concerning property tax policy in this province. Both committees have representation from local government associations representing the municipal and school sectors, as well as from a number of government departments. The committees' reports were presented to the department in March of 1999.

The 1997 Reassessment Review Committee report dealt with a broad range of topics such as the timing and the cycle for reassessment, property tax policy, the assessment appeals process, the interjurisdictional issues, and the extent to which property classes and percentages of value should be used for the next reassessment.

The Property Tax Exemptions Review Committee examined the province-wide interest for Saskatchewan property tax exemptions. This committee identified existing property tax exemptions in legislation, developed principles of public interest for exempting such properties, and acknowledging the rationale for certain exemptions existing in legislation based on a province-wide interest.

This committee examined the extent to which municipalities have or should have the authority necessary to determine which properties should receive an exemption from municipal and school property taxes. The key recommendations of both reports have been accepted by government, and are included in the Bill that we are introducing today and we're bringing forward today, Mr. Speaker.

Mr. Speaker, stakeholders are expecting government to address these issues in a timely fashion as part of a gearing up for the 2001 reassessment. And the amendments include the elimination of business assessment and tax vacancy adjustment and provisions related to adjusting school levies if a municipality has eliminated the business tax.

(1430)

Mr. Speaker, since 1997 municipalities have had the option of

eliminating business tax assessment for business tax purpose. The majority of municipalities are in favour of eliminating the business tax and many have already done so. Mr. Speaker, this amendment is a response to the recommendation of the 1997 Reassessment Review Committee at the request from the various municipalities to eliminate business tax on a province-wide basis.

As well the amendment removes the need for municipalities to level an equivalent amount of tax for school divisions and other taxing authorities. Mr. Speaker, our government believes that in fairness . . . it believes in fairness and equity in our property tax system, and eliminating the business tax will provide municipalities and their residents with a fair, more realistic and understandable property tax system.

The changes will significantly streamline the assessment process since neither SAMA (Saskatchewan Assessment Management Agency) nor cities will have to calculate the business assessments. Both private business organizations have made representation to the Reassessment Review Committee. We're in agreement that it was time to complete these changes.

Mr. Speaker, the amendment sends an important signal to our province's business community that they are in favour . . . that we are in favour of economic development. Local governments have sufficient local tax tools to manage an effective, an effective change in most instances. This has been shown by those municipalities that already decided on their own to end business tax assessment . . . or business assessment and tax.

Mr. Speaker, this Bill also proposes to provide authority for municipalities to exempt properties from school division taxes for economic development purposes for a limited time period without the need to replace lost tax revenues. This amendment proposes . . . response to the proposal submitted in the 1997 Reassessment Review Committee by the local government federation which consists of SUMA, SARM, and SSTA (Saskatchewan School Trustees Association). This change will provide municipalities with increased flexibility of providing property tax exemption for economic development purposes.

Another key provision this Bill introduces, Mr. Speaker, is to amend the established municipality authority to levy a base tax. Mr. Speaker, under this provision municipalities will be provided with the authority to establish a fixed amount of property tax that would be payable for all properties in a property class regardless of their assessed value. Compared to the existing minimum tax provision, a base tax will be much more simpler to administer. However, like minimum tax, base tax will not apply to school taxes.

Providing municipalities with this additional tax tool will offer greater municipal flexibility and manage local tax policy to respond to local needs and local circumstances. We are responding to requests from SUMA and all of the city mayors and commissioners in doing this.

Mr. Speaker, in 1997, Reassessment Review Committee and the local government federation recommended that municipalities should have unilateral authority to abate property taxes, including school taxes, for limited specific purposes listed in legislation. Mr. Speaker, I am pleased to say that our

government has accepted this recommendation, and will provide councils with a list of circumstances in which they may abate school taxes, and ensure that municipalities are not constrained by legislation that inhibits their local autonomy respecting municipal taxes.

This change has support from both SUMA and SSTA. It will provide more clarity in public policy, and remove the source of needless friction within municipalities and school . . . and the school sectors.

Mr. Speaker, this amendment will also ensure that school abatement provisions are not used unfairly by municipalities as a tax tool to manage tax incidents or a covenant to provisions relating to tax exemptions.

Mr. Speaker, each of these amendments was recommended during the tax policy review process, which I am very pleased to announce today that government is responding to and wishes . . . the wishes of the municipal sector by accepting and implementing the recommendation.

Other amendments, Mr. Speaker, address specific procedural or approval issues which have arisen over the past year, and these include removing the procedural requirement for an order in council and replacing it with approval by a minister's order for the incorporation of resort villages and their boundary alterations where all parties agree to the changes.

This change will make the Act consistent with The Rural Municipality Act of 1989 and The Northern Municipalities Act. It will also make the Act internationally consistent . . . internally consistent in that some of the incorporation and boundary alteration process currently required by OC (order in council), while others require a minister's order. These amendments will streamline the process of incorporating municipalities and altering their boundaries.

Mr. Speaker, currently this Act provides for a board of reference to investigate the circumstances surrounding the dismissal of a clerk or a treasurer. The board's authority is insufficient to really deal with these issues of wrongful dismissal as the board does not have any binding powers. The board's authority to conduct hearings into the dismissal of a clerk or treasurer or related provisions are being removed. These changes being made with the full agreement of the present board of reference, SUMA, and the urban municipalities administrators association. This amendment will remove government from the area of municipal responsibility.

Labour issues respecting the dismissal of clerks and treasurers will now be handled in court where they are more appropriately dealt with. This change is consistent with my department's policy direction taken in previous legislative changes to reduce provincial government approvals of municipal actions. Similar amendments to The Northern Municipalities Act are being proposed.

Mr. Speaker, other amendments to this Bill that will improve the effectiveness of the property tax assessment and appeals process has been requested by municipal leaders and will serve to make the system fairer for both taxpayers and municipalities, and these include clarification that where two or more persons

are owners of land or improvements, the owner shall have the opportunity to designate to whom the assessment notice should be sent.

Secondly, introducing provisions that will require information regarding the sale transactions to be provided to the assessor by a vendor and/or purchaser with the form of which it is reported to set by regulation.

And thirdly, clarifying that when a council passes a bylaw to dispense with mailing of assessment notices, except in cases where the assessment value is new or altered, the bylaw remains in force until changes are repealed.

Fourthly, clarifying that a notice of appeal is given to the secretary of the board of revision and not the assessor.

And fifthly, introducing the improvements of the assessment appeal process that will aid appellants to ensuring that proper and . . . (inaudible) . . . notices of appeal are submitted, further clarifying the tax levy as a result of an appeal decision or reconvertible pursuant to the Act and The Tax Enforcement Act.

This amendment will also provide councils with the authority to treat the additional levy as arrears of taxes where the appeal decision is received by the municipality subsequent to the tax year in which the appeal relates.

Replacing the fee for the issuing of a tax certificate from an amount set by the minister in regulation to an amount set by the council, subject to any limits set by the minister in regulation.

In summary, Mr. Speaker, this Bill responds to the significant concerns in three areas: firstly, implementing the recommendations made by the Property Tax Exemption Review Committee and the 1997 Reassessment Review Committee; secondly, implementing specific procedural or approval issues which have arisen over the past year; and finally, improving the fairness and transparency of the property tax assessment and appeals process.

The provisions within this Bill, Mr. Speaker, help to ensure that property owners, municipalities, and school divisions receive fair treatment and are part of a transparent and equitable process in order that they may have confidence in the system.

Mr. Speaker, these amendments should be supported by all members of the legislature and they are in the best interests of municipalities, their communities, and all of Saskatchewan residents.

Mr. Speaker, I move second reading of the Bill No. 69, The Urban Municipality Amendment Act, 2000.

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

**Mr. Toth:** — Thank you, Mr. Speaker. Mr. Speaker, I'm pleased to stand in the Assembly today and to raise . . . or speak to the Bill that has just been read and presented to the Assembly, The Urban Municipality Amendment Act, 2000.

Mr. Speaker, as I was listening to the minister, certainly there

needs to be a lot of changes made in regards to municipal agreements in the province of Saskatchewan. And based on what the minister was sharing with us today, the minister is quite well aware of this as well.

Mr. Speaker, we've had for the past number of months an ongoing debate in this Assembly regarding amalgamation of municipalities, both urban and rural, in the province of Saskatchewan. We've had two reports presented to the people of Saskatchewan and municipal governments and to this government to take a look at and review.

And most recently the minister basically said to municipal governments there will be no forced amalgamation, that we'll sit down and work together to find areas of common interest and common bond. And then last week again, the minister stands up and says that he favours a level of amalgamation that would see just a reduction of the number of RMs (rural municipality) and municipalities in the province of Saskatchewan.

So one has to ask, what exactly is it? And we trust that this piece of legislation the minister was talking about will indeed clear the air so that municipalities know beyond a shadow of a doubt exactly what they have to work with.

I believe, Mr. Speaker, that this Bill is going to do a lot to enhance the work between municipal governments and the province in addressing a number of concerns, be it school taxation, which is a major concern. Mr. Speaker, there isn't one MLA in this, especially a rural MLA, that doesn't face the question and the concern about the level of school taxes on property in the province of Saskatchewan on an ongoing basis.

In fact, every time we spend some time in our constituencies, that issue comes to the forefront. And no doubt, Mr. Speaker, after the most recent budget and what we've been hearing, it's going to be an issue that is not going to die. In fact it's going to increase as the municipal levies, the tax levies are sent out to taxpayers and they again see that their taxes are going to increase, specifically in the area of taxation on . . . or school taxes on that property.

Now I realize this piece of legislation doesn't totally address the issue of taxation on school . . . or school taxation on properties. However, Mr. Speaker, I think it opens up the door for some discussion in regards to how those levies are assessed. And the other area that has to be addressed is going to come from the leadership of the Minister of Finance and the Minister of Education in accepting the responsibility for carrying a higher load of the tax . . . of the education tax in the province of Saskatchewan.

Mr. Speaker, I don't doubt that the Minister of Municipal Affairs would like to see his colleagues finally start to accept their responsibility rather than leaving it up to him to go out to municipal governments and explain the fact that there just isn't the money there. The Minister of Education and the Minister of Finance haven't given . . . funded equally or appropriately the level of education in this province, therefore I'm left to try and address it as best I can with the . . . in my responsibility as the minister responsible for Municipal Government.

However, Mr. Speaker, having said that, we need to take a serious look at how we tax and the tax levels in the province of Saskatchewan, especially when it comes to school taxes. We need to work at building relationships between the school trustees and municipal governments.

Mr. Speaker, as I listened to the minister, I think it's certainly imperative that we improve the property tax assessment process in the province of Saskatchewan. And I've had the privilege of talking to the minister on a number of occasions regarding the assessment . . . the form of assessment, or the form of making assessments in the province of Saskatchewan when it comes to taxes and setting levies.

There's no doubt that since the last assessment was done, Mr. Speaker, that there has been a lot of concern and discontent and a lot of improvements need to be made in that area, Mr. Speaker. And it's appropriate I believe that we take a look and come up and listen to a number of the recommendations and bring them forward before the next assessment is tackled so that we can, if you will, Mr. Speaker, alleviate the problems that we had in the past.

And having said that, Mr. Speaker, we trust that this piece of legislation will address a number of those areas and concerns and that we'll be able to work together with municipal leaders to develop a fairer assessment process in the province of Saskatchewan.

Mr. Speaker, another area of concern is the business tax. And the minister talked about it. The minister talked about different areas. Different jurisdictions have already looked at eliminating the business tax because their interest is in trying to build the business community, and the business tax has just been an irritant over the years.

And I believe, as the minister indicated, this amendment . . . municipal amendment Act is going to address and create a more level playing field so that every jurisdiction has the opportunity to really look very carefully at their business tax and remove that business tax if that's in the best interest of that jurisdiction.

I would suggest, Mr. Speaker, that we will see the elimination of the business tax and a more fair tax brought forward so that businesses are not . . . don't feel that they're carrying the total burden; that everyone is paying equally through a fair taxation system.

And I guess, Mr. Speaker, that's all people are asking for. They're calling for a fair taxation system. And when you talk about a fair taxation system, well we're going to look at it very closely.

The Bill before us talks about a base tax. And, Mr. Speaker, I'm not exactly sure if you're aware — the minister might be aware — but certainly a community in my constituency two years ago brought forward what I would call a base tax, which I totally agree with.

They looked at . . . when the assessment came in, and the new assessments, and they looked at the discrepancy in properties, and no doubt different properties have different values. However, Mr. Speaker, everyone who lives in a community

pays for water services, pays for the sewer, pays for street maintenance and repair, Mr. Speaker.

And this community felt it was appropriate to set out a base level of tax so that everyone paid for those services, and then value the property and the assess . . . the tax levy and assessment of over and above that. And as a result, Mr. Speaker, I think people in that community are very pleased with what their municipal government has done.

And I'm pleased to see that the Minister of Municipal Government has certainly picked up on this and is making provisions for all communities to take a good look and a close look at a base tax and how we assess taxes in the province of Saskatchewan.

Mr. Speaker, as well when we talk about amalgamation and talk about communities working together, there's a concern that's been raised with my colleagues and I, and certainly brought to my attention, is the fact that many RMs and towns have been working over the past number of years to try and build relationships and create liaison between their levels of government, to find ways in which they can provide services that are fairer and as well as saving dollars at the local level.

(1445)

And the minister talked about that. The minister talked about creating amendments that will assist RMs and towns in working more closely together and, Mr. Speaker, I believe that's important.

It's important that we give rural municipalities and local governments or towns, town administrations, the ability and the tools with which they can work together, more closely together, to provide services to their constituency and to their ratepayers, Mr. Speaker.

Mr. Speaker, as was indicated by the minister, this amendment that we're dealing with today is covering a fair number of areas. It's covering quite a broad range and spectrum of changes that need to be made.

And I believe, Mr. Deputy Speaker, it would be appropriate for this Legislative Assembly to take the time to review the Bill and the legislation before us more carefully and more closely. To scrutinize it more carefully so that when indeed we move into committee and at the end of the day the passage of this Bill moves forward and if, Mr. Deputy Speaker, we find there are areas that we feel the Bill could be improved upon, we trust that the minister and this government will see fit to allow for some amendments through discussion to this piece of legislation so that we can make it a more comprehensive piece of legislation — one that will meet the needs of the public in rural Saskatchewan. Actually in all of Saskatchewan, Mr. Deputy Speaker.

Having said that, Mr. Deputy Speaker, to allow for the greater debate and more scrutiny of Bill 69, The Urban Municipality Amendment Act, 2000, I now move to adjourn debate.

Debate adjourned.

**Bill No. 68 — The Rural Municipality  
Amendment Act, 2000**

**Hon. Mr. Serby:** — Mr. Deputy Speaker, I rise today to move second reading of The Rural Municipality Amendment Act, 2000. Mr. Deputy Speaker, this Bill introduces amendments to The Rural Municipality Act, 1989 that will do a number of things.

First it will respond to and accept many of the recommendations made by the Property Tax Exemptions Review Committee and the 1997 Saskatchewan Reassessment Review Committee.

Secondly, it will implement changes to respond to specific procedural and approval issues which have arisen over the past year, and improve the property assessment appeals process.

As I mentioned in my earlier remarks regarding The Urban Municipality Act, 1994 amendments, none of these amendments in any way relate to the restructuring of municipal government system in Saskatchewan.

Mr. Speaker, as you and I and the members of the Legislative Assembly know, the three municipal Acts, urban, rural, and northern, are similar in many respects. And where applicable, the amendments that I detailed earlier during my address on the urban Act are also being made to The Rural Municipality Act, 1989.

And rather than reiterating all of those amendments, Mr. Speaker, I will instead concentrate on those amendments specific to the rural Act.

Mr. Speaker, the changes proposed in this Bill are ones that need to proceed with now. As I mentioned, some of the amendments respond to the recommendations made by the Property Tax Exemptions Review Committee and the 1997 Saskatchewan Reassessment Review Committee.

The key recommendations of both reports have been accepted by government and are included in the Bill before you today. And in addition to the amendments I spoke of in my address concerning the urban Act, the following additional changes are being made to the rural Act.

Mr. Deputy Speaker, the property tax exemptions review committee carefully considered the existing tax exemption for rural dwellings provided for under the infamous clause 331(1)(q) of the Act.

Mr. Deputy Speaker, I want to reaffirm to you that the review committee was comprised of representation from local government stakeholders on this issue, including SUMA, SARM, and SSTA. And in its deliberation on this matter, the exemption committee members reached a compromise.

As you and I and the rest of the colleagues in the legislature know, this has been a very contentious issue and many representations have been made to me on both sides of this matter. At the centre of the issue, Mr. Speaker, is the question of who should be eligible for the exemption.

During their deliberations, the review committee discussed the original rationale for the exemption. Issues of fairness and equity among neighbours and how best to resolve the differences in their views.

Mr. Deputy Speaker, the review committee sees this issue as one of principle and fairness. And I agree with their approach. The exemption was introduced many years ago as a method of supporting our farm families in the agricultural sector in general. It was changed in 1989, straying from the original goal.

It is the recommendation of the original principle that government has decided to accept the review committee's recommendation for change to the clause 331(1)(q) of the Act. The committee's recommendation protects and preserves the tax exemption for legitimate farmers.

Mr. Speaker, in keeping with the recommendations of the Tax Exemptions Review Committee, the property tax exemption for rural dwellings outside an organized hamlet will now be based only on the ownership or lease of agricultural land.

Mr. Deputy Speaker, this adjustment restores the original intent of the rural dwelling exemption and will continue to ensure that only farmers and agricultural land owners or lessees receive this important benefit.

We recognize that there are some impacts on other property owners who have also had the benefit for the last few years. But this is a matter of principle and fairness. We wonder how the previous government would justify dramatically changing tax treatment for two similar residences across the street from each other because one happened to be within the urban municipality and the other within the RM.

Mr. Speaker, I want to state one more time that the changes to this Bill will not affect farm residencies.

Mr. Speaker, our government has also accepted the recommendation of the 1997 Reassessment Review Committee to provide rural municipalities with the authority to apply separate property tax tools to organize hamlets and properties.

Mr. Deputy Speaker, this amendment provides a solution to a very problematic situation in rural municipalities with regard to different levels of services in hamlets and the rural municipality's ability to collect appropriate revenues from the respective hamlet. These provisions for organized hamlets will give RM councils the authority to implement a separate municipal mill rate factor, minimum base, minimum tax, or base tax in organized hamlets subject to the approval of the organized hamlet board.

Mr. Deputy Speaker, this amendment will give municipalities more autonomy in deciding local tax policy and increased flexibility when responding to local needs and local circumstances.

Mr. Deputy Speaker, both of these amendments were recommended during the tax policy review process and I am very pleased to announce today that our government is responding by accepting and implementing these recommendations.

Another amendment specific to the rural Act, Mr. Deputy Speaker, this is the issue relative to the rural board of examiners. I am pleased today, Mr. Deputy Speaker, to announce new provisions for the establishment of a rural board of reference. Currently the Act provides for a rural board of examiners which has two functions: the certification of administrators and investigation of administrators dismissals.

We are proposing to split these functions and have a rural board of examiners continue with the certification of administrators. A rural board of reference is being created to consider administrators' dismissals.

Mr. Deputy Speaker, the rural board of reference will have three members: one from SARM, one from Rural Municipal Administrators Association of Saskatchewan, and an individual appointed by both SAMA and the rural administrators association who is not a member of either association.

The creation of the rural board of reference is being done with the support of the rural board of examiners, SARM, and the rural municipal administrators association. It eliminates the provincial government's involvement through my department in what is primarily a labour relations matter between the RM council and that of the administrator.

This change is consistent with my department's mandate of strengthening communities and ensuring local accountability and the policy direction taken in previous legislative changes to reduce provincial government's approval of municipal actions.

Mr. Deputy Speaker, as I mentioned in the onset of my amendments, intent . . . my amendments, intended to improve the effectiveness of the property tax assessment and appeal process, are similar to those I presented earlier in the urban Act. I would like to remind the members that these changes have been requested by municipal leaders and will serve to make the system fairer for both taxpayers and municipalities.

In summary, Mr. Deputy Speaker, this Bill responds to significant concerns in three areas. Number one, implementing the recommendations made by the Property Tax Exemptions Review Committee and the 1997 Saskatchewan Reassessment Review Committee. Secondly, implementing specific procedural or approval issues which have arisen over the past year. And finally, improving fairness and transparency of the property tax assessment and appeals process.

The provisions enunciated in this Bill, Mr. Speaker, address all of these concerns. These provisions ensure that property owners, municipalities, and school divisions receive fairer treatment and are part of a transparent and equitable process in order that all may have confidence in Saskatchewan's property tax system.

Mr. Deputy Speaker, these amendments should be supported by members of the legislature. They are in the best interests of municipalities, their communities, and all Saskatchewan residents.

And, Mr. Deputy Speaker, I move second reading of Bill No. 68, The Rural Municipality Amendment Act, 2000.

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

**Mr. Toth:** — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, in regard to The Rural Municipality Amendment Act, 2000, I think it's important that we take a look at this piece of legislation, as well, very carefully and that we scrutinize the piece of legislation. Certainly, as the minister has indicated, there are a number of changes that are being proposed.

The minister talked about fairness. And, Mr. Deputy Speaker, when we talk about fairness I don't think there's anyone in this Assembly that doesn't believe that we should not have or work towards building a fairer working relationship and a fair more . . . a greater fairness in regards to taxation.

However, Mr. Deputy Speaker, some of the problems we do find is that when legislation changes, it doesn't necessarily always reflect what we hope and the fairness we talk about. Certainly in the past we've seen situations where there have been major discrepancies which has led to misunderstanding between levels of government and groups providing services.

Mr. Speaker, one of the — Deputy Speaker — one of the things I think is very important that this legislation needs to address, and I trust will address, is the whole appeal mechanism, and the process.

And I talked with the minister in regards to this process, and I know we've moved forward already in regards to how appeals are handled and when we're dealing with assessments, and I believe that's appropriate. Certainly I trust that the legislation that's before us will just enhance that opportunity so that there is that greater level of fairness and flexibility seen in the appeal mechanism, especially as we enter into another phase of reassessment in the province of Saskatchewan.

Mr. Deputy Speaker, there's no doubt that each and every one of us would just as soon not pay taxes period, or at least pay a lower level of taxation. However, I believe most people feel that there has to be a level of taxation that reflects the level of services that they would expect from government, whether it's local, the municipal, rural or the provincial levels of government, Mr. Speaker. And therefore, it's important that we certainly do take the time to portray that level of fairness that the minister was talking about.

And as was indicated, the minister informed the Assembly that a number of the provisions that are being brought forward in The Rural Municipality Amendment Act, 2000 are much the same too as they are in The Urban Municipality Amendment Act, 2000. And I would guess that — and assume, and we will find out shortly — whether or not it was reflected in The Northern Municipalities Amendment Act, 2000 as well.

Having said that, Mr. Deputy Speaker, there are a number of changes. The minister's indicated that we were taking some significant steps to try and alleviate a number of the problems that have been there in the past. And I believe it would be appropriate in view of the changes that are being brought forward and in review of the amendments, that we take the time again to review this legislation very thoroughly and very carefully to indeed see whether or not that level of fairness that the minister was talking about has been achieved.



And therefore at this time I move to adjourn debate.

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

Debate adjourned.

**Bill No. 67 — The Northern Municipalities  
Amendment Act, 2000**

**Hon. Mr. Serby:** — Mr. Deputy Speaker, I rise today to move second reading of The Northern Municipalities Amendment Act, 2000. Mr. Deputy Speaker, this Bill introduces amendments to The Northern Municipalities Act that will do a number of things.

It will respond to and accept many of the recommendations made by the Property Tax Exemptions Review Committee and the 1997 Reassessment Review Committee. It will implement changes to respond to specific procedural or approval issues which have arisen over the past year, and improve the property tax assessment and appeals process.

Earlier today, Mr. Speaker, I outlined amendments being proposed to the urban and rural municipalities Acts, and as I noted during those remarks, provisions in the three municipal Acts are similar in many respects. And I am pleased today to announce amendments to The Northern Municipalities Act that mirror those being made in The Urban Municipality Act, 1984.

We're bringing these amendments forward, Mr. Deputy Speaker, because we believe in our northern communities and we want to ensure that northern communities are provided with the same legislative update and tools that are available to municipalities in the southern part of the province.

Mr. Deputy Speaker, last year we established a Northern Revenue Sharing Trust Management Board, and I am pleased to say that this board has proven to be of valuable assistance to my department not only in matters of dealing directly with the operations of a northern revenue sharing account, but also in providing advice and comments on the amendments being considered today.

I would like to say and recognize that the board has recommended that the Northern Revenue Sharing Trust Account match on an annual basis the funds that the province will be providing for the northern water and sewer project initiatives.

This pooling of financial resources will allow us to undertake badly needed water and sewer projects having a value in excess of 25 million over the next five years. This co-operative effort will ensure that by the year 2006 the residents of all northern communities will be assured a safe, reliable water supply and a safe and reliable system for liquid waste disposal.

Mr. Deputy Speaker, the changes proposed in this Bill relate primarily to tax policy and administrative issues that are ones they need to proceed on. They include adjustments to the new provisions recommended by the two tax policy review committees I mentioned earlier and will improve on the ability of local governments to respond to the upcoming 2001 reassessment and to manage their own financial affairs.

These amendments come as a result of our government's ongoing commitment to ensure that systems work for people as well as for municipalities.

Mr. Deputy Speaker, the following are the key provisions of this Bill.

Firstly, the elimination of the business assessment and business tax . . . the elimination of business assessment for business tax purpose.

Secondly, authority for municipalities to exempt properties from school division taxes for economic development purposes for a limited time period without the need to replace lost tax revenues.

And thirdly, an amendment establishing municipal authority to levy a base tax, and authority for a municipality to abate the property tax, including school taxes, for limited specific purposes listed in legislation.

Mr. Deputy Speaker, each of these amendments was recommended during the tax policy review process. And I am very pleased to announce today that government is responding to the wishes of municipal sectors by accepting and implementing the recommendations.

Other amendments, Mr. Deputy Speaker, address specific procedural and approval issues which have arisen over the past year including removing the requirement for an order in council and replacing it with an approval of the minister's order for the incorporation of northern municipalities and settlements, and for boundary alterations where all parties agree to the changes.

Provisions which provide the urban board of reference the authority to conduct hearings into the dismissal of clerk or treasurer and related provisions are being removed. Other amendments to this Bill that will improve the effectiveness of the property tax assessment and appeal process have been requested by municipal leaders and will serve to make the system fairer for both taxpayers and municipalities. And these include clarification that where two or more persons or owners or land improvements, the owner shall have the opportunity to designate to whom the assessment notice should be sent.

Further introducing provisions that would require information regarding the sale transaction to be provided by . . . to the assessor by a vendor and/or purchaser when the form in which it is recorded to be sent by regulation. Further clarifying that when a council passes a bylaw to dispense with the mailing of assessment notices, except in cases where the assessment value is new or altered, the bylaw remains enforced until changed or repealed.

Further clarifying that the notice of appeal is given to the secretary of the board of revision and not to the assessor. Further introducing improvements to the assessment appeal process that will aid the appellant in ensuring that proper and complete notices of appeal are submitted.

And further clarifying the tax levied as a result of an appeal decision are recoverable pursuant to the Act and The Tax Enforcement Act. And replacing the fee for the issuing of a tax

certificate from an amount set by the minister in regulation to the amount set by the councils subject to any limit set by regulation.

In summary, Mr. Deputy Speaker, this Bill responds to significant concerns in three areas. Firstly, the implementing the recommendations made by the Property Tax Exemptions Review Committee and the 1997 Reassessment Review Committee. Secondly, implementing specific procedural or approval issues which have arisen over the past year. And improving the fairness . . . improving the fairness and transparency of property tax assessment and appeal process.

The provisions within this Bill, Mr. Deputy Speaker, address these concerns. These provisions ensure that property owners, municipalities, school divisions receive fair treatment, and a part of a transparent and equitable process in order that they may have confidence in the system.

These amendments should be supported, Mr. Speaker, by the legislature. They're in the best interests of northern municipalities, their communities, and the people of Saskatchewan.

Mr. Deputy Speaker, I move second reading of the Bill No. 67, The Northern Municipalities Amendment Act, 2000.

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

**Mr. Toth:** — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, as the minister has indicated, this piece of legislation as well does have a number of the same changes reflected in it as we have in the previous two, the rural and the urban municipality amendment Act.

However, the piece of legislation as well reflects the differences in northern municipalities and what we would consider southern municipalities — just the differences in the communities and the types of services that are expected, and certainly the geographic location; and also some of the problems associated with the . . . for many of these communities almost more of an isolated . . . isolation type of area that they would live in compared to our southern municipal areas, simply because of the geography they live in and some of the problems that they face. I think the minister was reflecting that in his presentation this afternoon.

Mr. Deputy Speaker, note the minister talked about a safe water supply and waste management and having, just in the last few days, some of the problems that have arisen across this country when it comes to bacterial outbreaks in water supplies. I have no doubt that each community in this province is going to want to be somewhat concerned and be very careful in how they manage their water supplies.

And I think what the northern municipalities have been asking for, for a number of years is some legislation that really gives them greater control and assists them in providing a more safer water supply and waste management process that they can build for the residents of their communities and their areas, so that those residents can certainly feel that any time they go to the tap that the water that they're drinking is healthy and certainly isn't going to create a problem.

It's interesting, Mr. Deputy Speaker, that we would talk about water quality, especially when we look at our northern areas in the province and the amount of water — there's almost everywhere from most of these communities. But we just need . . . We must be careful we just don't take for granted that that water supply is always going to be the healthy water supply that we would just expect of it, and that we have the processes in place to ensure that residents of any community have access to quality water and waste management.

And so therefore, Mr. Deputy Speaker, it's important that, as the minister had indicated, that we listen to communities, we listen to the groups, and we listen to the assessment . . . the panels as they bring forward their recommendations. And that therefore, when legislation is brought forward, it reflects the concern and addresses a number of the issues that certainly open up the door for greater co-operation between governments in providing the services that are needed by these communities.

Mr. Deputy Speaker, I think it would be apparent that we need to be very careful in assessing this piece of legislation and giving it the thorough research that is needed as well to make sure that it reflects everything that the government is talking about and that municipal leaders are bringing to our attention as well.

And with that in mind, Mr. Deputy Speaker, I now move to adjourn debate.

Debate adjourned.

**Bill No. 70 — The Education (Elimination of Business Tax) Amendment Act, 2000/Loi de 2000 modifiant la Loi sur l'éducation (élimination de la taxe professionnelle)**

**Hon. Mr. Serby:** — Mr. Deputy Speaker, I rise today to move second reading of The Education (Elimination of Business Tax) Amendment Act, 2000.

Mr. Deputy Speaker, this Bill introduces amendments to The Education Act, 1995 that are required as a result of the decision to eliminate the business assessment and tax provision in The Northern Municipalities Act, The Urban Municipalities Act, 1984, and The Rural Municipalities Act, 1989.

Mr. Deputy Speaker, as you know this government received a number of requests from municipalities and received a recommendation from the 1997 Reassessment Review Committee in conjunction with a proposal submitted by the local government federation to eliminate on a province-wide basis business assessment and tax. I am pleased to say, Mr. Deputy Speaker, that we have done that and our proposal to amend the three municipal Acts.

Mr. Deputy Speaker, the elimination of business assessment and tax will recognize municipal autonomy by making their own decisions in response to local needs and local circumstances. My colleagues and I believe that our local government property tax system should recognize local autonomy and minimize inter-municipal and interjurisdictional tax policy spillovers.

Mr. Deputy Speaker, in 1997 Reassessment Review Committee

indicated that the province's role in property tax policy should be to oversee the fairness and consistency of the municipal property tax system, including the limited application of province-wide property tax management tools or other programs that are based on the public interests of Saskatchewan residents.

We accept this principle and others that were contained in the final report of the Reassessment Review Committee. In keeping with those principles our government has introduced a number of amendments to the municipal Acts to increase flexibility and provide broad direction for municipal councils to determine their own local tax policy without fear of creating inequities between neighbouring municipalities. Mr. Deputy Speaker, the consequential amendments proposed in this Bill will remove all reference to business tax assessment and tax from The Education Act, 1995 in conjunction with the amendments to the three municipal Acts.

Mr. Deputy Speaker, I move second reading of Bill No. 70, The Education (Elimination of Business Tax) Amendment Act, 2000.

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

**Mr. Toth:** — Thank you, Mr. Deputy Speaker. Mr. Deputy Speaker, as I indicated earlier, when we talk about tax, there isn't anyone that really enjoys paying taxes.

And certainly one of the greatest irritants we've had over the past number of years is the business tax. And I guess the reason the business community has felt isolated by that tax is the fact that they feel that they pay tax on their property, they're paying a tax on their . . . and when I talk property, I talk of their business property as well as their private property, their home. And then they have a business tax on top of it when they're actually providing a service, and providing a basis of employment in the community. Just a feeling that they have been overtaxed and it was time for a real review of that matter. And we're certainly pleased to see that the government has been listening, and listening very carefully to the business community.

I know that a number of municipalities themselves have gone ahead on their own to address that concern. And I think it's appropriate that we are taking a broader look at the tax, and the current Bill before us is going to address that tax, and address areas surrounding the business tax in the province of Saskatchewan, to free up businesses to do exactly what they want to do. And that is to provide employment and generate job opportunities and create economic activity within the jurisdiction that they would choose to provide that business.

And so it's appropriate that we indeed free up businesses to provide the services that they have so long and arduously been providing to our communities.

Mr. Deputy Speaker, without small businesses and without . . . I shouldn't say small. We use the word small a lot of times, but I think it's appropriate for us to recognize that any business, regardless of the number of employees or how large that business may be, is an economic engine within a rural . . . within a community, be it large or small.

And it's important for us to recognize the hard work of the businessmen and women across this province, who are so diligent in providing services for their communities. And it would be as the minister has indicated, this current piece of legislation certainly opens up the door for them to enhance their business opportunities and continue to look at this province as a province in which to live. The elimination of the business tax is something that our caucus is certainly in favour of and has been promoting as well.

Because it's important for this province to realize that it needs to create a fairer tax structure and a tax if you will, a lower tax regime so that we can encourage other businesses to look at the province of Saskatchewan as a place to not only invest, but create job opportunities for the many residents of this province. And specifically the younger generation who would like to . . . or are entering the workplace and would like to look at building this . . . or assessing a job in the province in which they have had the privilege of living and would like to continue to live in.

So I believe, Mr. Deputy Speaker, that a number of the provisions that the minister is talking of certainly are positive. We want to look at them very closely. And I have a feeling, Mr. Deputy Speaker, that we'll be . . . in our review of the legislation and as we move into further debate in the legislation, there may be some areas that we would like to discuss a little more in depth with the minister, and possibly even offer some areas of which we can even add to this piece of legislation, whether it's through amendments or just working with the government to basically address areas that we might have concern in regards to the legislation.

Having said that, I agree with the Minister of Social Services that we need to take time to review, and therefore I move to adjourn debate.

Debate adjourned.

(1515)

## ADJOURNED DEBATES

### SECOND READINGS

#### Bill No. 14

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Serby that **Bill No. 14 — The Film Employment Tax Credit Amendment Act, 2000** be now read a second time.

**Mr. McMorris:** — Thank you, Mr. Deputy Speaker. It's a privilege to talk on Bill No. 14, The Film Employment Tax Credit Amendment Act, 2000. The film employment tax credit was introduced in 1998, and as a way of growing the film industry in Saskatchewan. And, Mr. Deputy Speaker, it really has done that. The film industry in the province has really grown in the last couple of years.

And it makes good sense to give tax credits to try and promote the film industry which, as I mentioned, had grown. And it should grow in our province, when you look at what our province has to offer in the film industry — from the forests in

the North to the prairies in the southwest.

I was watching a number of years ago the movie *Dances With Wolves*, and how they had the wide open spaces. And I found out later that they filmed most of that movie in Montana, just across the border from Saskatchewan . . . or North Dakota. And the wide open spaces which we have to offer, we could really build the film industry in Saskatchewan. And to try and attract business by offering a tax credit we think is just a really good idea.

Film producers and people like that are looking for places to go, and natural environment, natural settings with which to create their craft, the filmmaking craft, and we certainly have it here. And I really . . . I think that the film industry . . . And just from the numbers that we have, film production has doubled over the last couple of years to 50 million annually.

As we always work in our province — and I think we agree on both sides of the House that we need to broaden the economy and we need to look at different things — this is one area to certainly look it. And we can see the results of tax breaks.

And it just makes me think then, if it's working so well in the film industry, why don't we try it in a whole bunch of other areas? You know, why do we . . . I guess in the . . . as far as the government opposite, pick and choose winners and losers. Okay, we'll give a tax credit to this to build the film industry, but then all the other areas in our economic sector that need improving and need to be growing aren't getting those breaks and they're stagnating.

And I know we on this side of the House talk a lot about companies that are moving across the border, whether it's to Alberta or maybe south into the States. And I think if we looked at some of the initiatives that has been looked at in this Bill in giving a tax credit to the film producers, that we'd probably keep a lot of those businesses and industries and certainly, if nothing else, expand on it.

The film industry is one where there is a lot of competition between province and province, and especially country to country. I know a number of film producers, local film producers in our province that have really struggled. But they really, when you talk to them, they're really passionate about, of course, the business, because that's what they're in. But they really see an opportunity in the province, and this is an area where they really feel that we can expand.

But when I look at it and I expand it over the whole piece of . . . over all the different areas that we could expand our economy and increase our economy and diversify our economy, there are a number of areas. And unfortunately, as I mentioned earlier, that this government picks and chooses the winners and the losers. And they have picked this . . . they have chosen this as a bit of a winner. And it just shows when we reduce taxes, good things happen.

That's what the whole thing is, is to create more business in our province. And the one way that we really . . . on this side of the House, we campaigned on that very issue. We campaigned on the very issue on trying to increase our economic base, our foundation in this province, so that we're not so agriculturally

dependent; that we have a broader base. And certainly that is what we campaigned on.

And really, when I look at Bills like this, I realize that members opposite do believe that's the proper method to go. They haven't quite released themselves enough to follow it through the whole economy, because it does; it brings people into the province. When we become a competitor for taxpayers and for industry and for business, good things happen in our province. But unfortunately we haven't spread it over the whole piece.

One area that does cause some concern when I'm at . . . a few of the producers of films that I have talked to, is the reporting mechanism as far as the audit and things like that as far as keeping track of the books of the smaller film producer. And it gets to be really quite an onerous process. And so there is some concern with that, and they really would like that to be looked at — is there a better way of dealing with that issue.

And we've come up with some different ideas, some sort of a three-tier system where if the net income is below a certain level, perhaps the audit system is not as severe and things like that. So there are some problems with the Bill as it is right now that need to be addressed.

But overall I just think that the strategy of reducing and giving tax breaks and allowing more business into the province is certainly something that we can support and will support.

As I mentioned, there are a couple of areas in the Bill that we do have some question with, that we'd want to get some more consultation with some of the filmmakers in the province. But overall, by reducing taxes, we really feel it's the best way of expanding our economy and this is just a classic example of what can be done in our province.

So with that, Mr. Deputy Speaker, I would like to adjourn debate on this Bill.

Debate adjourned.

### Bill No. 22

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Serby that **Bill No. 22 — The Local Improvements Amendment Act, 2000** be now read a second time.

**Mr. Kwiatkowski:** — Well thank you very much, Mr. Deputy Speaker. It's my pleasure to join in the debate on The Local Improvements Amendment Act, 2000. And I must say it is with some relief that I noted in this Bill, at least in this one, there was no mention of forced amalgamation. So I'll speak to some of the various points contained in this Bill.

And of course as always when it comes to legislation that is going to affect municipalities and municipal legislation in this province, it's something that we want to take a very, very close look at. Because I think even this government will admit that they don't have a lot of the trust of municipal government in this province any more.

So I think that it falls to the official opposition to make sure that

the Bills are scrutinized in their entirety and that they are fully understood prior to their being passed.

Now this particular Bill, Mr. Speaker, deals a lot with boards of revision. And boards of revision, as most of us will know, are used by local governments for assessment appeals. Now up until very recently, last year as a matter of fact, local governments and their own local councillors were in fact allowed to sit on boards of revision. Now this has all changed, and the requirement is now that boards of revision must be made up by someone other than members of council, and appointed separately.

Now on the surface of course this doesn't necessarily indicate all of the difficulties that were inherent in this change. And some of those included the escalation of costs for municipalities. For smaller municipalities to go out, Mr. Speaker, and to recruit individuals to sit on boards of revision, to provide the training that was made available to them, and then to in fact reimburse them for their work, ended up being quite expensive.

And I know in the case of the town of Porcupine Plain, for example, we tried a number of relatively low-cost options, perhaps having administrators from the surrounding communities be the board of revision, and the administrator from the community in which the board would be sitting simply dropping off and the rest of the administrators acting as the board.

This was perhaps a way of saving cost because the administrators were already in fact receiving a salary and some of their other expenses were being looked after through their employment.

But as it turns out, that wasn't a viable option for a whole number of reasons. And in the end a lot of communities, as Porcupine Plain and many, many others throughout this province, ended up having to go and in fact recruit community people to act as a board of revision.

And as I indicated, this in fact raised the cost of operation for a lot of municipalities. A lot of the per diems that were paid to members of a board of revision were equivalent or close to equivalent to that of mayors and councillors. A lot of the expenses were equivalent.

And then of course as I indicated, there were all of the expenses that were associated with having these members of boards of revision going off to training sessions in order to be able to fully understand their duties. And in a lot of cases those training sessions, Mr. Speaker, were a great distance from the community in which the board of revision was to be operating.

So consequently there was a huge amount of cost associated with what on the surface would have appeared to be a relatively minor change.

So this is why we as the official opposition, Mr. Speaker, want to make sure that any legislation that's coming through from Municipal Affairs and through the Minister of Municipal Affairs is scrutinized in its entirety in order that we can make sure that those types of issues don't arise again and that

municipalities aren't surprised by extra costs with respect to any changes that might be proposed here.

Now a lot of these changes . . . the government insists that it has consulted and that it has spoken with the stakeholders. Well as was the case with the changes with respect to boards of revision . . . and I happened to be at the SUMA annual meeting, Mr. Speaker, when the minister was questioned on the changes with respect to the boards of revision. And it was very obvious that there hadn't been a great degree of consultation, and that in fact the vast majority of people representing municipalities — mayors, councillors, administrators — were in fact very, very unhappy with the changes with respect to boards of revision.

So here we are again, another piece of legislation, and talks about boards of revision once again, and once again we have the government saying that they have consulted. Well the question is, Mr. Speaker, who have they consulted? Have they consulted SUMA? Have they consulted the mayors and the councillors and the administrators of the various municipalities?

Or is this something that they are doing which has become so typical of this government in the last while that they initiate a consultation process but then, without waiting to see the results of that, actually start implementing legislation and starting to make the changes without waiting to see what the results of the consultation have been, and without respecting the input of the people that they are saying they're consulting with.

And we've seen this with this government, Mr. Speaker, over the course of the last number of months, particularly with the whole amalgamation issue in a way that I think actually maybe even surprised some of the members opposite that their government would be so callous. But it is very obvious that legislation oftentimes is getting formulated long prior to the consultation process being complete.

(1530)

And I think that when it comes to amalgamation for example, Mr. Speaker, we've seen I think what is and what probably a lot of the people of this province believe, is really nothing more than a stay of execution. They believe that the whole municipal amalgamation issue is still on the agenda of this government, and they believe that it will be coming forward at some time in the future. And quite frankly, Mr. Speaker, that wouldn't surprise those of us on this side of the House.

The boards of revision are a major part of municipal councils' ability to be able to deal with the whole issue of assessment and taxation fairly and allow for an appeal process. And when the changes were made a year ago, where the boards of revision had to be made separate from councils, a lot of the costs, as I indicated earlier, were borne . . . all of the costs in fact, Mr. Speaker, were borne by those municipal councils.

And in some cases those councils wondered for what. And once again I think specifically of the example of the town of Porcupine Plain. After incurring all of the cost that was required to adhere to the regulation, in the end this finely tuned board of revision dealt with one appeal — one appeal.

And in fact that turned out to be a pretty cut-and-dried technical

appeal where there wasn't a lot of latitude in terms of the decision-making ability. Pretty straightforward. And that's what, as a result of all of the cost that the municipal government incurred and all of the headache of adhering to the regulations, that it ended up being, was just simply dealing with one appeal.

Now, Mr. Speaker, meaningful consultations with municipalities don't have to be a painful process. I think on a lot of occasions it just might be a matter of picking up the phone and talking to an administrator, a mayor, a councillor, a reeve, a councillor. It's a matter of respecting that opinion, making sure . . .

And for the edification of the member from Indian Head-Milestone, there are both rural and urban councils in Saskatchewan. And in one case it is Reeves and councillors, and in another case it is mayors and councillors. Just thought I would clear that up.

But reassessment also created a fair degree of difficulty for municipalities in 1997 in this province, Mr. Speaker. And I noticed earlier today when the minister was introducing another Bill in second reading, he was talking about introducing the concept of a base tax.

Well I want to echo the member from Moosomin's comments in the sense that there were all sorts of difficulties involved with the reassessment in 1997 when it was dumped on rural and urban municipal governments. It was the rural and urban municipal governments in the end that found the creative, innovative, imaginative ways of implementing some of those very, very difficult measures.

And in fact a lot of communities did go to a municipal-based tax. And that is how it is made fair for everyone in a community to receive the services that all receive in a community, including garbage pickup, street maintenance, sewer and water, all of those kinds of things.

And I guess I get frustrated and I think a lot of members on this side of the House get frustrated, Mr. Speaker, after a while because really when you think about it, a lot of the really good ideas in terms of firstly the way municipal government should be managed and operated in this province — and even in some cases, Mr. Speaker, the way that the provincial government should be managed and operated — have in fact come from the municipal level.

I was just reading an interesting documentary the other day, Mr. Speaker, a program that aired in 1990 on Lister Sinclair's *Ideas* program. And it talked in some great detail about how health district no. 1 in the Swift Current area, which was the forerunner of all Medicare right across the country, was in fact something that was created by mayors and Reeves and councillors and by the leadership at the community level.

And I think that somehow we have managed to get away from the respect that we had at one point for the ability of rural and urban municipal leaders to constructively contribute in this province. And that's very, very sad. Because when it comes to doing things effectively and efficiently, you probably will find no more effective and efficient level of government than municipal government.

So I think it would be in the government's best interest, in the provincial government's best interest to consult. Whether it's on legislation such as this, or pending legislation such as the amalgamation legislation or any other initiatives, it would be in their best interest to consult with municipal government, and talk to the people who can run and operate governments effectively and efficiently, and apply some of that knowledge, perhaps even to the way that they do business, Mr. Speaker. And perhaps in the end, we'd all be better off.

But with respect to this particular piece of legislation, Mr. Speaker, we do want to consult with municipal government. We have already begun our consultation process. We have started talking to the Reeves and councillors, and the mayors and councillors, the administrators.

There are some issues which certainly they are bringing to our attention. There are other areas that they want to further explore. And they are suggesting to us that perhaps we should be taking a bit of time as well, Mr. Speaker, to gather that information.

And, so at this point, I think, pending the results of that consultation, Mr. Speaker, I would adjourn debate.

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

Debate adjourned.

### Bill No. 23

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Serby that **Bill No. 23 — The Planning and Development Amendment Act, 2000** be now read a second time.

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. And it is my pleasure again to rise and join in debate on Bill No. 23, The Planning and Development Amendment Act, 2000.

Now here once again, Mr. Speaker, we have a Bill that appears on the surface to be of quite a technical nature, and in fact the minister indicated that it was primarily housekeeping in nature. And for the most part that's probably true. We look at this and there certainly are some technical changes here that are, even at this point, very, very timely.

But, once again as I indicated in my response to the previous Bill, Mr. Speaker, the smaller technical changes that sometimes the department and the minister don't view as being major or view perhaps as being minor can cause a fair degree of difficulty in the communities and in the administration of local government.

And with respect to the previous Bill, the example I spoke about was the board of revision. Now certainly that is a change that did cause some difficulties but yet at the same time I think that probably when it was enacted, the degree of difficulty and cost particularly that would be associated in terms of the communities having to adhere to it wasn't really anticipated on the part of the government.

Now here again we want to be able to make sure that the input

of municipal government has been respected and that that input will be gathered; that it will in the end, in the final analysis when this legislation is adopted, actually mean something. That in some way, what the mayors and reeves and councillors and administrators out there have said and have suggested will end up as a tangible part of this legislation.

Now an interesting thing is — and I refer once again back to the board of revision because I think that is one of those really good examples, and the minister certainly heard that at the SUMA convention where he was asked a number of questions on the changes — but initially a lot of mayors and councillors, reeves and councillors, weren't fully aware of the impact. However, once they started to try and grapple with some of these realities, well then, the phones started ringing off the hooks, and people were saying, did you folks realize, did the official opposition realize that this was what, that was what was in this legislation.

And I think that the smaller things . . . Like I say, when it comes to the government putting legislation forward on the surface where they may not necessarily think that they have that dramatic an impact can certainly, on occasion, blindsided a local government. And I think that local governments in this province certainly have been blindsided enough over the course of the tenure of this government.

And that's something, Mr. Speaker, that we certainly don't like to see happen, and we will do our part to make sure that we do consult with local governments, that there is the ability for local governments to contribute, and that there is a place where their voice will be heard.

Now there are a couple of interesting components to this particular piece of legislation, and we're talking about the northern development and planning areas. Now once again I guess I have to ask the question is how adequately has the government consulted with the northern communities that are going to be affected here?

Have they spoken to the community leadership? Have they? And I guess the respect is . . . the issue is, if they have spoken to them, will they in fact respect their input?

(1545)

Now the planning and development areas are something that I think have a tremendous amount of potential, Mr. Speaker. There are a lot of things that a more empowered level of government can accomplish. And I think that if one was to respect the ability of rural and urban municipal governments and empower them, then we could see a lot of local activity around economic development, social development.

There could be a lot of jurisdictional transfers from the province to municipal government. And the one area that I think of — and this has been debated in this House previously, Mr. Speaker — is in the northern development and planning areas and some of the local regions, there has been and is some discussion around the assuming of responsibilities for policing.

And I think that those kinds of initiatives are good, solid initiatives, and that the more that a community can control its own destiny and the closer that they can get to the delivery of

those kinds of services, the better off they as a community and the better off we all as a province are.

I think there has to be that respect for a community's ability to be able to assume a lot of those kinds of responsibilities. And I think we would be surprised, Mr. Speaker, if we respected the input, the abilities of municipal governments, northern governments in this province and just how much they could really accomplish.

And the one area that always excites me is the area of economic development because that is in a lot of ways an area where we have seen local communities, through their municipal governments, take ownership. And they have had to deal with some difficult issues in doing that.

They've had to sort out some of the, perhaps, maybe even historical conflicts between communities in order to arrive at a working solution where they could as a group, as a region, work together collectively for the economic development benefit of all of their citizens.

But in the end, in the successes that I've seen, Mr. Speaker . . . And for quite a number of years I was in fact the Co-Chair of the Etomami Valley REDA (Regional Economic Development Authority). And I think one of the reasons that those kinds of initiatives are successful is because if the communities are allowed to take control and they have the ownership, then they will make it work. They will somehow find their way through the local difficulties and issues that face them and that can on occasion be barriers and obstacles.

But the whole issue of ownership is key to that kind of success, Mr. Speaker. And you don't allow someone ownership by controlling what they're doing, by dictating what they're doing, by not consulting with them, by not respecting their views and their opinions and their input. You have to do all of those things in order that those communities feel like they have ownership of the process; that they can take ownership, that they can build, and that what they will do will be in the long-term benefit of their community.

And that can even apply to Acts of legislation such as this, Mr. Speaker. When communities are allowed that input and when that input's respected, they will in fact take ownership of the decisions that are ultimately made if those decisions . . . even if those decisions are made at a senior level of government.

But what municipal governments in this province have been finding, Mr. Speaker, over the course of the tenure of this government is that that respect is not there. And there hasn't been a lot of consideration for their input and for their role in this province.

And consequently a lot of municipalities and municipal governments are feeling somewhat besieged. They feel that they are under attack, and they feel that there is an effort out there to undermine all of the things that they have built and that they have developed over the years for their communities and for their citizens.

They feel that those are being deliberately undermined. Because instead of consulting with people, and instead of respecting

their opinion, the hand of government is attempting to somehow manipulate what they can be and what they should be, and they are taking that sense of ownership away on them.

And it's sad, Mr. Speaker, but I think at one point in this province municipal governments and the provincial government probably had a relatively healthy working relationship. Well that doesn't exist any more, Mr. Speaker. Most municipal governments don't see this government as their friend.

They see this government as a government that wants to take what they have built, the communities that they have established over all these years. And they somehow want to take them and lump them into some large, gigantic, bureaucratic, administrative monstrosity that is virtually impossible for them to be able to be a part of, to have any sense of community in.

And it is getting more and more difficult for municipal governments to in any way feel that they're being listened to by this government, Mr. Speaker.

So with respect to this particular piece of legislation, Mr. Speaker, we would like to be able to continue further consulting with the community leadership, the highly respected community leadership in rural and urban Saskatchewan, and to get their input on the potential impact of this legislation and be able to, through the official opposition, forward those views on to the government in a way hopefully, Mr. Speaker, that they will be respected and that they could become a tangible product, tangible final product as a result of the debate here in the legislature and future debates, Mr. Speaker. Thank you, and I would now move we adjourn debate.

Debate adjourned.

### Bill No. 37

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Serby that **Bill No. 37 — The Public Libraries Amendment Act, 2000** be now read a second time.

**Mr. Allchurch:** — Thank you, Mr. Speaker. Thank you, Mr. Speaker. I get to stand in the Assembly today to bring forth some concerns regarding Bill No. 37, The Public Libraries Amendment Act, 2000.

Mr. Speaker, there are several revisions to The Public Libraries Act in 1996. Although those revisions clarified a number of issues, there were still some areas that needed addressing, that this main purpose for this Bill is to address those issues.

In this Bill there are four distinct issues. The first issue surrounds boundary changes, especially as they apply to regional libraries in municipalities. Amendments will provide for voluntary public boundary changes not mandatory ones. The opinion to make boundary changes will be the decision of a particular regional library and they must notify the public as well as other library boards and related associations.

The Bill provides a process that will . . . in which a library region can move to different library systems if they choose so. This would, of course, Mr. Speaker, alter the amount that the

municipality could collect in library levies which are taxes collected for library services. At the same time, this would also affect how the library receives its levies.

The second issue, Mr. Speaker, and an important one, is that this address in this Bill is a process of resolving local conflicts. Previously, the process often involved that public libraries and the minister . . . Conflict resolutions could also be lengthy, costly, and not have an acceptance outcome for any of the parties involved. The amendments will allow for more decisions to be made at the local level, which is certainly a much more effective process and one that municipalities are much more familiar and comfortable with.

The third issue, Mr. Speaker, is that Bill 37 looks at the issue surrounding regional library agreements — agreements which essentially create libraries. Since all municipalities now participate in the library system, proposed legislation will not require them to enter into agreements unless they opt to do so. The amendments will still allow for those agreements. If there is a specific relationship that is to exist between a municipality and its libraries, the government does not require these agreements to be in place.

The fourth issue, Mr. Speaker, and the final issue is that the Bill addresses its fair representation on the library board executive committees. Regional library boards have representation from each municipality in the province, rural and urban alike. From that board, which can number more than a hundred and only meets once or twice a year, the executive committee is elected.

This committee is primarily responsible for most of the day to day operations and the majority of administrative decisions. There are virtually no regulations regulating representation of members on the executive committee. Proposed legislation will allow urban representation on the executive committee that will be related to the population — a regulation that exists in all regional library boards.

In the province as regionally vast and diverse as in Saskatchewan, there can be no doubt that libraries play a vital and integral role in our lives. Over the years they have become much more than just a place to borrow a book. For many, the library is more than just a source of reading material and information. In addition to the many programs and services they offer, they have also become the galleries, theatres, public meetings, and much, much more.

Mr. Speaker, libraries have also become a haven for our children — a place to do . . . a place to play and learn as they read and are read to. Libraries open up the world of knowledge as students discover themselves and the world around them.

Increased taxes and living costs have forced many families to find other ways of spending quality time together. And so we may see a row of libraries expand to a place for families to get together more often.

Through the . . . every library connected program, a very, very important program, many of our rural residents now have public access to Internet. Of course, it's also a fact that technology and lifestyles have greatly impacted on our province's libraries.



Every . . . our ever resourceful and respondent to the needs of our communities and even facing extremely tight financial restraints, they have responded by offering more diverse programs and services.

(1600)

It's important to note that at the proposed stage, these amendments have circulated to major stakeholders — regional, municipal, and northern systems, to public library boards, Saskatchewan Library Association, Saskatchewan Library Trustees Association, SUMA, SARM, and cities like Prince Albert, Moose Jaw, and Yorkton, as well as our local library boards.

I hope that their input and recommendations were taken into consideration and implement whatever is possible. They are, after all, the organizations that will affect us most from this legislation.

One of the main issues, Mr. Speaker, addressed in the issue of boundary changes is that we see the legislation as offering voluntary, not mandatory, public changes. A public library board or a municipality has the option of proposing to change boundaries if it so desires to.

Given the recent public outcry over legislative renewal, forced amalgamation, I'm pleased to see the boundary changes will not be forced on municipalities or public libraries, but rather that the decision will be made on perceived benefits.

I would hate to see the same turmoil, confusion, and anger erupt over library boundaries changes as what's happened to the forced amalgamation issue. Municipalities were overwhelmingly opposed to that.

I would hope that the boundary changes therefore would take place when there is to be true benefits recognized by both parties. By amalgamating programs and services, or expanding upon existing ones, both the municipality and the public library board must indicate that it will be a win-win situation and will be able to indicate to the public why it will do so.

I would expect a cost-benefit analysis would be done along with the consultation and review.

Given that it's crucial that the public be kept informed of proposed boundary changes, it is important that public consultation and review take place. It's noted that this proposed legislation has provisions for that.

Another area that this Bill addresses is the issue of regional library amendments . . . agreements. As we understand it, regional library agreements are essential to create libraries. Changes to The Public Libraries Act in 1996 made participation mandatory within the regional library boundaries. However, since all municipalities already were and still are participating in this library system, their regional agreements are often, are often not required.

This Bill will provide for an agreement to be put in place where one is requested between a municipality and a library. The agreement will spell out the specific relationship that will exist.

Once again, I am pleased to see a co-operative partnership outlined here — one that will foster harmony and growth on a voluntary basis.

Another issue that I'd like to address. My concern is that the ability for libraries to have Internet access and to be able to offer a service to the community as served. Again, the rural areas are the ones that will be detected . . . affected the most, since these libraries were forced into cutting more . . . more programs and more service because of the government-imposed fee hike to maintain those programs and services. This truly speaks to the hypocrisy of this government.

While I acknowledge that this Bill does clarify some issues that need attention, I am still concerned that there are more areas that need to have more work done. There needs to be more accountability from this government in those areas. And therefore in light of the circumstances, I would move adjournment on this debate.

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

Debate adjourned.

#### Bill No. 44

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Cline that **Bill No. 44 — The Insurance Premiums Tax Amendment Act, 2000** be now read a second time.

**Ms. Draude:** — Thank you, Mr. Speaker. Mr. Speaker, I'm pleased to speak today about Bill No. 44, The Insurance Premiums Tax Amendment Act, 2000.

First of all I think the public should know that the title is at least misleading, if it's not deceiving. The Bill should be called the insurance premium rate increase. They increase the premium rate from 2 to 3 per cent on life insurance, on accident insurance, and sickness insurance. And there's a 3 to . . . a 3 to 4 per cent increase on all other insurance except hail. Maybe this constitutes the government's helping hand for farmers this year, Mr. Speaker, not putting an increase on hail insurance.

I'd also like to note, Mr. Speaker, that the government didn't fill the gallery with taxpayers today as we discuss this Bill or this increase, unlike yesterday when the minister called hard-working LPNs (licensed practical nurse) from across the province on the pretext that the Bill would be passed. Mr. Speaker, the minister deliberately misled a whole group of taxpayers just to play politics.

**The Speaker:** — Order, order. I'd ask the hon. member to kindly choose her words judiciously. A direct accusation of that nature is not acceptable.

**Ms. Draude:** — Mr. Speaker, the LPNs who should have faith and trust in the Minister of Health could have been considered pawns yesterday in a game of politics. Mr. Speaker, our health care givers have better things to do with their time and their money than to play politics. If you doubt that you can call them, Mr. Speaker. Today, Mr. Speaker, LPNs know who they should be ticked with and it's not the Saskatchewan Party.

Mr. Speaker, I believe the communication spin doctor for the government should be commended for their imagination being able to call a tax increase in this Bill an overall reform of the personal tax system. And it's supposed to improve fairness, simplicity, and competitiveness. I guess if you've got a left wing person you could call a tax increase a reform, but on this side of the House we call a spade a spade. A tax increase is a tax increase; it's black and white.

Mr. Speaker, the minister also stated that the Vicq committee recommended that education and health tax base be expanded to include insurance premiums. What the minister forgot to mention is the other part of the Vicq report that said they should be reducing the PST (provincial sales tax) to 5 per cent. It's getting all too common for this government to pick and choose what they want to see and what they want to hear. The only common theme is how can I get more money from the taxpayers of Saskatchewan.

It's just amazing, Mr. Speaker, that this government is still trying to convince people that this budget was a tax decrease. Even their own spin doctors using tens of thousands of taxpayers' dollars have not been able to hoodwink the taxpayers into believing this ridiculous notion.

Mr. Speaker, we talked about SGI (Saskatchewan Government Insurance) in the legislature this session but mostly it's been involving SGI no-fault insurance.

Mr. Speaker, the government is trying to convince people of Saskatchewan that a system where a single person can be the adjuster and the medical officer and the judge, and is it good for the people. And then to discuss options and alternatives we deal again with the same people and we should consider that an alternative — they believe — and then that's considered their review process. Mr. Speaker, the minister is quickly learning not too many people agree with him. In fact he can't even find enough people to sit on his committee to make up a review.

Mr. Speaker, perhaps the minister introducing the Bill would like to enlighten taxpayers about government efforts to sell insurance in Manitoba. Maybe that's part of the reason why we have to increase taxes in this province.

Mr. Speaker, everyone in this Assembly knows what happens when a government has the majority, regardless of how they got the majority. When they decide to pass a Bill, they will pass a Bill. It's all a matter of numbers. Sadly and regrettably this government has managed to get the majority they needed to pass the tax increase of \$150 million and counting that came about because of this budget.

Mr. Speaker, the minister indicated that the increased revenue for this tax grab would be \$13.7 million to the taxpayers of Saskatchewan. I've contacted insurance companies in my area, and beyond my area as well, and none of them can understand how the government can come up with this number. It will be a lot more, Mr. Speaker.

It's always more. It's sort of a Murphy's Law. This government takes more than they say they will and they give less. They give less money, they give less services; and they have less interest in the people of Saskatchewan.

Mr. Speaker, I'll be asking the minister for details in a couple of months from now when this Bill goes to the Committee of the Whole for how this number was actually reached at.

But, Mr. Speaker, when we contacted our insurance dealers they advised us that this government, through SGI, increased the deductible for houses this year from 250 to \$500. This is something they didn't mention in the budget, Mr. Speaker. This is just another little increase of \$250 for every house in Saskatchewan — and I don't believe it's part of this budget they're talking about right now — but it's sort of, if you don't ask, you don't know kind of system this government is working with; just \$250, no big deal. And of course that means that you get an extra \$50 if you want to keep your premium down at \$250 like it was last year.

Mr. Speaker, everyone on this side of the House knows that in order to get this economy moving we must allow people to keep more money in their pocket at the end of the day. Everybody knows that, Mr. Speaker. We've stated it over and over again for three years and the public have stated it over and over again and CFIB (Canadian Federation of Independent Business) have stated it over and over. And everybody has been telling him, you've got to lower taxes.

But this government has started to think though, maybe — with the geniuses of business over there — that they will really . . . Maybe we should try and do that. But because they have no faith in the people's ability to grow the economy, or maybe it's really beyond their ability to understand business at all, and if you want to think about SPUDCO and NST and Channel Lake, maybe you can understand they don't know about business. They don't understand that you really have to let people make their own decisions when it comes to spending money.

I think what the government did in this budget though, Mr. Speaker, was to pretend it got a tax decrease on one hand; on the other hand gouge them from every way you can from insurance. And this Bill is just one point of how they got money from the people of this province.

Mr. Speaker, this little Bill we're discussing now will cost taxpayers \$14 million. I'd like at this time to adjourn debate so we can search the province to find someone who thinks this is a very good idea. So, Mr. Speaker, I will adjourn debate.

Debate adjourned.

#### Bill No. 45

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Cline that **Bill No. 45 — The Fuel Tax Act, 2000** be now read a second time.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. Mr. Speaker, as we discussed in question period today, this government is quite involved in the fuel tax business. The fact is, Mr. Speaker, we have one of the highest fuel taxes in Canada which is a real detriment, Mr. Speaker, to all of the other activities of this province.

As my colleague, the member from Kelvington, was just talking about, the high taxes in this province are a discouragement to

every person, every business in this province, and an extreme discouragement to anyone who might even consider moving to this province.

Earlier today my colleague, the member from Indian Head-Milestone, talked on a Bill dealing with tax credits for the film industry. The government opposite recognizes in a few instances that there are benefits for people, for business, for the generation of prosperity in this province when taxes are reduced. And yet in virtually every other sector the government has its philosophical blinders on, reverting back to Tommy Douglas in 1944 for their policies, and refuse to admit and accept the fact that lower taxes mean greater prosperity for the province.

This Bill, the revenue and financial services, an Act respecting tax on fuel and making consequential amendments would be a perfect opportunity, Mr. Speaker, for the Minister of Finance, for the members opposite to show some real initiative, some real intestinal fortitude that they want to help the people of Saskatchewan when the price of gasoline at the pumps today is 75 cents — 74.9 cents. The highest ever, Mr. Speaker, under any government, but particularly under this socialist government. They're gouging the public, Mr. Speaker, with these taxes.

And they refuse to take an offer made to them by Paul Martin, the federal Minister of Finance, that he would be prepared to take a look at rolling back a matching income, a matching fuel tax reduction. We're asking the government opposite: take a look at it, talk to Mr. Martin, see if he will agree to an immediate rollback of 5 cents a litre by each of the province and the federal government — a total reduction in the fuel tax of 10 cents a litre.

And what do the members opposite do? Sleep, Mr. Speaker. They are sleeping through this whole fuel crisis. They completely ignore it. They're much more concerned about how they force workers who don't want to be unionized into unions. That's the priorities.

(1615)

Their priorities are not helping people in Saskatchewan. It's how they replenish the coffers of the unions because they know, Mr. Speaker, they know that within a short period of time we could very well be into another provincial election. And if that happens, they're only going to have one set of friends, and those are their friends in the union.

And it's not the union member, rank and file, that they count on — not at all. It's the people at the very top of the unions that are making the hundred thousand dollar a year salary. Those are the ones they count on, Mr. Speaker, and that's what their priorities are.

If, Mr. Speaker, they were concerned about the people, this particular Bill would deal with a reduction of the fuel tax, not simply the status quo, changing the dots on the i's and the commas in the sentences, Mr. Speaker, which is basically what this particular Bill deals about.

The member from Athabasca hollers across, what about Grant

Devine. Well, Mr. Speaker, when I look at the actions of this particular government, to me it's almost word for word, action for action, for what the Conservatives were doing in the late 1980s and early 1990s. This is an old, tired, and out of touch government, exactly like those were in the 1980s, early 1990s, Mr. Speaker.

And each and every one of those members, Mr. Speaker, is acting as arrogantly and as uncaringly as that government did, Mr. Speaker. They're no longer concerned about the actions that are needed to make this province prosperous; they are concerned, Mr. Speaker, as evidenced in this Bill, the fuel tax Bill, on how to maintain government, how to maintain their strangle grip on the throat of government in this province, Mr. Speaker. That's what they're interested in.

I look over, Mr. Speaker, the comments that the minister made in his address to this particular Bill and from *Hansard* . . . And the members opposite have traditionally and over time berated the Americans, Mr. Speaker. They have berated the American states for the way they operate. They like to refer to health care as an American-style health care, and yet the Minister of Finance, Mr. Speaker, is going to the American states looking for ideas on fuel taxes and following their examples, Mr. Speaker, following their examples.

And he talks further on in his statements, Mr. Speaker, about coloured tax-free fuel. Yes, what we call purple diesel, Mr. Speaker, or purple gas. He's talking about that.

Well, Mr. Speaker, Mr. Minister, I think the way to describe that particular type of fuel should be zero-rated fuel, that the tax rate on that fuel is zero rather than tax-free because, at the whim of the government, it can be changed.

So at this particular point in time, marked or dyed fuel is zero rated. Tomorrow the Minister of Finance could change that to a 5 cent a litre tax, a 10 cent a litre tax, whatever he may feel is appropriate. So it's not a tax-free fuel. If it was tax-free, it would never, ever have tax included in it. But that's not the case. Taxes can be applied. So the term should not be, Mr. Speaker, tax-free fuel but rather a zero-rated fuel.

Part of the reasoning behind this particular Bill, Mr. Speaker, is dealing with standardization of fuels, types, and fuel tax collections across the province but across Canada. But we are also . . . Mr. Speaker, Saskatchewan is part of an organization called IFTA and that is the International Fuel Tax Agreement.

Well there are some difficulties, Mr. Speaker, with that particular agreement in dealing with our marked fuel, our dyed fuels, which are zero-rated in this province. When a person who is entitled to operate with zero-rated fuel in this province crosses the international border into the US (United States) they may very well be — and if apprehended and checked will be — fined for operating with dyed fuel, even though, Mr. Speaker, they are meeting all of the requirements of the IFTA agreement.

I've raised this particular issue with the minister because it's affecting people in Saskatchewan. The minister's response was, well it's out of my jurisdiction. But this province, Mr. Speaker, is a signatory to the IFTA agreement.

We are part of it. We collect funds from truckers coming into this province from outside on the fuel they purchased in Manitoba or Alberta or Montana or North Dakota or PEI (Prince Albert Island), if they've got a truck that will go that far. We collect tax, Mr. Speaker, under the IFTA agreement on the fuel they burn in this province so it does directly affect us. And the Minister of Finance has a role to play in that.

And yet when that agreement is not being lived up to in other jurisdictions, the Minister of Finance simply wants to wash his hands of it and say, it's outside of my jurisdiction. Well when we have international agreements, when we have interprovincial agreements, it's up to the government, and in this case the Minister of Finance, to ensure that the rules are being applied and are being applied correctly, Mr. Speaker.

And in this particular case the minister has failed to do so. And I would ask him to review that situation again, find out what's happening with the IFTA agreement, and how it affects Saskatchewan particularly when it comes to dealing with marked fuels.

A second portion of marked fuels, Mr. Speaker, as outlined in the Act, deals with standardization of those marked fuels. In particular, Mr. Speaker, part of what needs to be taken into consideration of marked fuels is the environment and how those marked fuels may differ from other fuels being burned both in Saskatchewan and outside of Saskatchewan, and how they compare to the fuels being used in other jurisdictions.

Part of the problem with the IFTA agreement in dealing with transborder use of marked fuels, Mr. Speaker, deals with the use in the US of a dye to mark fuels that have a high sulphur content and therefore have a high pollution content; whereas our fuels, Mr. Speaker, have up until now been comparable. Whether there was clear fuel or a marked fuel, they had the same pollution content, the same sulphur content, and had the same impact on the environment.

We need to clarify in the IFTA agreement, Mr. Speaker, that our marked fuels are not a serious pollutant any more than a clear fuel is. It's not to say that fuels of any kind are not pollutant, but some are more so than others. And in the US in particular, dyed fuels indicate a high sulphur rate and therefore a high pollution rate.

The minister needs to sit down with his counterparts across the US border to iron out the difficulties that are being faced by Saskatchewan residents who are entitled to use zero-rated fuels within their businesses and within their equipment, Mr. Speaker. Unfortunately that has not yet happened, and I would ask that the minister seriously pursue that avenue, Mr. Speaker, to provide the relief.

The fines for someone who crosses the border with marked fuel and is apprehended with it — even though it's legal in Saskatchewan, even though they have their IFTA permits, even though they may have paid a special tax for that particular load across the border — the fine for the first offence is over \$500 US, Mr. Speaker. It's a serious situation.

It applies not only just to large semi-trailer units, it also applies, Mr. Speaker, to any diesel vehicle which might be utilizing

dyed fuel such as even pickups, Mr. Speaker. So if someone was to run across the border to buy a loaf of bread, let's say, and happened to have some dyed fuel, marked fuel, in their fuel tank, they could be apprehended and charged this kind of a fine.

And you can't wash these dyes out very easily, Mr. Speaker. I'm told that it takes 10 full tanks of fuel to dilute the dyed fuel, the marked fuel, sufficiently so as not to be recorded on the equipment that is doing the checking. So it's a very serious impediment to people who are entitled in Saskatchewan to use zero-rated fuels, if they cross the border in pursuit of their activities.

**An Hon. Member:** — How do you know that?

**Mr. D'Autremont:** — The member from Meadow Lake wants to know how I know that. I know that, Mr. Speaker, because one of my constituents contacted me after suffering that indignity. I approached the minister's office and his response was it's outside of my jurisdiction. He was not prepared to enforce the IFTA agreements to which he and his government are a signator, Mr. Speaker . . . (inaudible interjection) . . . You're welcome, Mr. Member from Meadow Lake. Anything else you wish to know, you may ask.

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

**Mr. D'Autremont:** — Mr. Minister, part of this Act deals with, as I said earlier, the rewriting of the fuel Act to standardize and simplify procedures. Well, Mr. Speaker, we're always in favour of simplifying procedures of government. Government is too top heavy, too bureaucratic, and too expensive.

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

**Mr. D'Autremont:** — Now I find it somewhat ironic that the members opposite would be bringing in anything that would change that fact. But if they do, we are certainly prepared to agree and thank them for that. Unfortunately, there are a lot of many other things in this Bill that do not provide a simpler solution, Mr. Speaker.

One of the items that is part of this piece of legislation, Mr. Speaker, is that the fuel tax on propane will not be charged on any cylinder which is 100 pounds or less. Well, Mr. Speaker, there are a lot of industries that utilize, a lot of farmers that utilize propane even to heat their homes. And yet they are going to be charged . . . according to this, Mr. Speaker, they will be charged if they have a tank larger than 100 pounds of propane.

Now most farmers, most . . . not necessarily even farmers. I shouldn't say farmers. Most people in the rural areas — and that might very well include urban municipalities away from the natural gas system — utilize 3, 400, 500 gallon tanks to store their propane. You don't want the propane truck pulling into your yard every second day to keep your furnace going. They're not going to do that.

So under this Act, as I read it, it's only those with 100 pounds or less tanks are going to be exempt from this fuel. I don't know how you can possibly charge a fuel tax, which should be a road tax, Mr. Speaker, to heat residential homes. Hopefully the minister will clarify that situation if we ever get to Committee

of the Whole.

Clearly this is an Act . . . That change, Mr. Speaker, will benefit those that are barbecuing, which is an important function, important social function in our society, but it's not as important as heating your home when it's 40 below in Saskatchewan.

And so the minister needs to take a very serious look at that and make a determination as to whether or not the law is written as he intended, or if there is another explanation here. And perhaps an amendment needs to be put in place to clarify that this tax will not apply to residences, Mr. Speaker, when utilized for heating. And you have to ask why if it doesn't apply to residences, why would it apply then to businesses.

So, Mr. Speaker, those are some of the things that need to be asked. There are other types of things that the government says, oh no, we're there. The member from Regina Qu'Appelle is always standing up giving us a farm report.

(1630)

Well, Mr. Speaker, why would this tax apply to drying grain, which is a very, very important function across Saskatchewan in a wet fall. When we have a fall like we had had last year, grain drying can be extremely expensive. '96 was another year, Mr. Speaker.

Mr. Speaker, when people look at natural hookups to dry grain, they're extremely expensive. You're talking up to \$25,000 now. If you're only in the area where you're having a wet fall, you know once every three, or four, five years, you're not going to spend \$25,000 to get natural gas in. You're going to utilize propane to dry your grain.

Under this change, Mr. Speaker, under this Act there is no reason why this government should be collecting that kind of a fuel tax on people who are utilizing propane to dry their grain. Now the minister needs to clarify whether or not that's part of this Act, but if you read the Act it says, the tax is exempt only on those propane cylinders of 100 pounds or less.

Well there's not many people who hook up a hundred pound bottle to their grain dryer, Mr. Speaker, because it isn't going to last very long. So you're going to have major tanks . . . you're going to have 3 to 500 gallon tanks to do that kind of drying, Mr. Speaker.

The gasoline tax, Mr. Speaker, that is collected in this province is 15 cents a litre — 15 cents a litre. On average, Mr. Speaker, it works out to about \$360 million a year of fuel taxes collected. That's collected from individuals who drive your vehicle for recreational purposes, people who drive a vehicle for business purposes, from truckers, from the railroads, Mr. Speaker, from school buses, ambulances. Every vehicle that travels upon our roads, Mr. Speaker, virtually pays the fuel tax.

And yet how much of that fuel tax, Mr. Speaker, actually goes back onto the roads? The government this year is putting \$250 million into road . . . into the Highways department, I should say. It's about \$106 million that goes to resurfacing — reconstruction they call it — that is when you have . . . used to

have, 10 years ago, a nice stretch of highway. Now it's full of potholes. Reconstruction means driving down the road, Mr. Speaker, and putting gravel in those holes. They don't even pack it down, just pull up, dump some gravel in, and keep on going to the next pothole.

Because, Mr. Speaker, the government . . . of all the fuel tax it's collecting is not putting enough in. The Highways department doesn't even fill in every pothole. They fill in, depending on their budget, every other one or every third pothole. Next week they'll come back and fill out every second pothole, and over a period of a month or two they will eventually have filled in every pothole once. But what happens with gravel that isn't packed in, has no sort of sealant on it? Before they get back to fix the next pothole, it's already pounded out.

I was observing a construction, Mr. Speaker, last fall of a highway and the highway crew was ahead of me. They've got their large machines, they're putting down a sealant, packing the road well, and within 50 yards behind that machine, Mr. Speaker, there was already a pothole developing. There was already a chunk of the sealant coming out. They hadn't moved 50 yards yet. And that's the kind of money or lack thereof, Mr. Speaker, and competence that this government is performing.

Now the Minister of Finance today said that they spend 87 per cent of the highway taxes on highways. Now I ask the general public, take \$250 million and divide it by 360 and see what kind of a number you get. It works out to something like 75 per cent, Mr. Speaker. Not 87 per cent.

That's perhaps why our taxes are the way they are, Mr. Speaker. The Minister of Finance hasn't got his numbers out yet. He must be using, Mr. Speaker, one of those socialist calculators that sort of rounds it up to a fairly large number, Mr. Speaker.

It's not just the fuel tax though that is collected, Mr. Speaker, to be used to provide the services that the fuel tax was originally intended for. The fuel tax should be used, Mr. Speaker, to provide services to those that have paid the fuel tax.

But there's also licensing fees — \$90 million to \$100 million a year roughly collected, Mr. Speaker, on licensing fees on vehicles that could also be used to supplement the fuel tax that is supposed to be fixing our highways but that isn't going to fix our highways, Mr. Speaker.

Mr. Speaker, our taxes, as I said earlier, are one of the highest if not the highest in Canada when it comes to fuel taxes. Only Newfoundland, Mr. Speaker, has higher taxes than Saskatchewan — only Newfoundland. But, Mr. Speaker, I visited Newfoundland last fall. Their highways are in very good shape — very good shape.

And if they don't want to believe me, Mr. Speaker — because they generally have a tendency to be somewhat skeptical — they can ask the member from Moose Jaw North . . . or excuse me, Moose Jaw South . . . Moose Jaw Wakamow, how she found the roads in Newfoundland because she was there with me as well, or the member . . . the Opposition Whip was there as well, Mr. Speaker.

The people in Newfoundland maintain their roads. But that's

not the case in Saskatchewan with our fuel taxes and we collect, as I said earlier, 15 cents a litre for every litre of gasoline.

There is another person in Saskatchewan, or another entity, as well as this government that is collecting fuel taxes. And this Bill will help standardize that collection as well, Mr. Speaker — standardize the fuel, standardize the collection. And that is the federal government, Mr. Speaker.

The federal government is failing drastically in their responsibility to maintain a highway infrastructure, not just in Saskatchewan, but across Canada. And the fuel taxes that are paid from Saskatchewan should be utilized in that area — 10 cents, Mr. Speaker, 10 cents a litre for the federal government.

So, Mr. Speaker, there is no reason why the provincial government could not approach the federal government as offered by the Minister of Finance, Paul Martin, to roll back the fuel taxes jointly to give consumers a break. But this government opposite will hear nothing of it, nothing. They're not concerned, Mr. Speaker.

It reminds me of the situation back in 1982 prior to the provincial election. I listened to the budget. I listened to that budget with great interest, Mr. Speaker, and I remember the premier, Allan Blakeney, stating: the government is strong. The government is in good shape. And at the same time, Mr. Speaker, people across Saskatchewan were losing their homes because of the usurious interest rates — 24 per cent interest rates but the government of the day — Allan Blakeney, the Premier was the minister of Justice at that time — didn't care, Mr. Speaker. They were more interested in governing than they were in helping the people. And this fuel Bill, this fuel tax Bill, is another example of that, Mr. Speaker, where they're more interested in maintaining power than they are in actually helping the people of Saskatchewan.

Three hundred and fifty million . . . \$360 million a year of fuel tax collected in this province and yet every week, Mr. Speaker, we receive phone calls from people across this province who have had their vehicles damaged; some, Mr. Speaker, who have even suffered personal injury because of the lack of concern of this government and the terrible condition of our highways.

People on school buses, Mr. Speaker, are afraid to put their children on the school bus to send them to school. And fact is, some divisions are even instructing their drivers not to utilize the provincial highways. I have a highway in my constituency, Mr. Speaker, that runs up the entire eastern side of the province and goes through my constituency, the member from Moosomin's, the member from Saltcoat's, the member from Yorkton's, the member from Canora's, the member from Carrot River Valley — No. 8 Highway.

No. 8 Highway, Mr. Speaker. Today you could probably canoe from the US border to Hudson Bay and never get out of a rut on that highway. And fact is, Mr. Speaker, we received a notice from the Conservation department in our office the other day indicating that the bag limits on fish in the potholes on No. 18 Highway were the same as in any other body of water in this province. Same rules. The problem is, Mr. Speaker, that there was a concern that some anglers were taking above their limits. Also that they were blocking . . .

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

**Mr. Addley:** — With leave to introduce guests, Mr. Speaker.

Leave granted.

### INTRODUCTION OF GUESTS

**Mr. Addley:** — Thank you, Mr. Speaker. I'd like to introduce to you and through you to all members of the House some special guests in the west gallery.

As the member from Regina Lakeview indicated earlier, the International Tuba and Euphonium Conference 2000 is being hosted in the University of Regina between May 30 and June 3. And this is a yearly conference but it's the first time that it's been held in Canada.

And the conference being conducted by the Tubists Universal Brotherhood Association, T.U.B.A., has more than 400 participants in Great Britain, Japan, Switzerland, Germany, US, and Canada. The week features solo recitals, concerts with the Air Command Band and the Regina Symphony Orchestra, a jazz band, small ensembles, and the workshops.

And there's four young men from the Canadian Cadet Organizations as well as some officers from the Prairies who are participating in the conference. And if I could ask them to stand as I read out their names: Air Cadet Greg Slaa, a tuba player from 177 Squadron located in Winnipeg; Air Cadet Richard Wiens, a tuba player from 176 Squadron located in Winnipeg; Air Cadet Ryan McIntosh, a euphonium player from 191 Squadron located in Winnipeg; Sea Cadet Ian Morgan, a tuba player from 42 Sea Cadet Corps in Thunder Bay, Ontario; and Lieutenant Ryan Graham, a euphonium player from Thunder Bay, Ontario; as well as Captain Alan Cann, a euphonium player from Regina.

I also just wanted to say thank you to Alan and his wife Jennifer for being such wonderful hosts. So if the House would please welcome the special guests here today.

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

**Mr. D'Autremont:** — Thank you, Mr. Speaker. With leave to also introduce guests.

Leave granted.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I'd like to join with my colleague across the floor in welcoming the air cadets to Saskatchewan. We're certainly very pleased to have them here.

I myself was a member of the 675 Bow Valley Squadron of the air cadets, and it's certainly a very worthwhile participation. And although I was not a tuba player, I always wanted to be, Mr. Speaker. Please welcome the cadets here again.

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

### ADJOURNED DEBATES

## SECOND READINGS

**Bill No. 45 — The Fuel Tax Act, 2000  
(continued)**

**Mr. D'Autremont:** — Thank you, Mr. Speaker. Although I am not a tuba player, I can make some noise in the House, Mr. Speaker, and hopefully the members opposite will hear what I have to say. Because we're talking about the fuel tax Bill, Mr. Speaker, and the members opposite find it very difficult to utilize that tax for what its intended purpose was — to provide service to drivers and to maintain the highway and byway infrastructure of Saskatchewan. And they're simply failing in that duty, Mr. Speaker.

And I would hope that our guests in the galleries, Mr. Speaker, take the opportunity to tour around Saskatchewan. We have a very beautiful province, Mr. Speaker, a very beautiful province. But it's difficult to see our province.

I was across the border earlier this week, Mr. Speaker, on Monday to a Memorial Day service in Sherwood, North Dakota. And the question there that everyone wanted to ask me was, when are you going to fix the highway?

We collect 350, \$360 million a year on fuel. As I was driving from my home down to the border, I passed innumerable oil service trucks, trucks hauling tanks of oils, saw many pump jacks. There's a large amount of revenue generated in the southeast corner, Mr. Speaker, from the oil patch. Every one of those wells, every one of those installations, takes a large amount of work to maintain. The people doing that burn a lot of fuel, they pay a lot of taxes.

(1645)

But they're also very, very hard on the road system, Mr. Speaker. But unfortunately all of that revenue that is generated from the fuel taxes collected in providing that service is not returned to make that highway system work, Mr. Speaker; to maintain it in place so that the traffic can continue.

When you cross at the Carievale-Sherwood border, Mr. Speaker, and drive north, you have to drive on the highway for two miles. You really can't get off on that first two-mile stretch. But as soon as you've gone up the road two miles, virtually everybody that knows the area, Mr. Speaker, turns off immediately and takes the grid roads to get wherever you're going to.

It's only the tourists, Mr. Speaker, who don't know exactly where all the roads run to, that actually drive No. 8 Highway. They drive it once, Mr. Speaker. They buy their fuel at the next town or wherever they happen to be going to. In the case of No. 8 Highway, they're probably going up to the Moose Mountain Provincial Park. They buy their fuel there but they don't drive that highway ever again.

Once they get back across the US border, they never come back. They don't dare come back, Mr. Speaker, because they can't maintain their vehicles driving on Saskatchewan highways. In fact is, Mr. Speaker, I was told that down in the KOA (Kampgrounds of America) campsites across the border,

they have big posters in those sites: "Do not go to Saskatchewan. You can't drive on the highways."

So, Mr. Speaker, the government opposite talks a lot about tourism. They collect a lot of money in the fuel taxes. But they're doing everything they can to keep people out of this province, because they simply can't drive on the highways to get into this province, Mr. Speaker.

I drove down No. 1 Highway, Mr. Speaker, yesterday, and there was a lot of vehicles driving up and down that highway, each and every one of them paying fuel taxes. The road, Mr. Speaker, on the north side was in terrible shape. So we got talking to the people in the car, why do you think No. 1 Highway on the north side is in such bad shape? Well they had the answer. It's everybody moving out of this province with their heavy loads; nobody's coming back.

Everybody's going out, Mr. Speaker, because this government refuses to deal with the issues and the concerns and the needs of the people of this province.

And the fuel taxes and the highways, Mr. Speaker, are a clear example of what this government is not doing — not doing, Mr. Speaker. They're not doing the job that they were elected to do. Even though, Mr. Speaker, they received a minority of the votes in this province, they are the government, and they are failing to provide the service to the people of Saskatchewan.

We receive many phone calls, Mr. Speaker, about people that have had their vehicles damaged on the highways. The Highways department, if you apply to them and you can prove that they were negligent, Mr. Speaker, they will provide you with the cost of repairs.

That money, Mr. Speaker, comes in part from the fuel taxes collected under this Bill — \$95,000 is what the Department of Highways paid out last year to provide restitution to people who had their vehicles damaged driving on Saskatchewan highways. Not driving in the ditch, not hitting an animal on the road, simply because the road was not properly maintained by the government opposite.

That, Mr. Speaker, is a sad, sad commentary on the state of our highways, and a true statement, Mr. Speaker, on the lack of concern that the members opposite have to maintain the infrastructures of this province.

Mr. Speaker, even the CAA, Canadian Automobile Association, is very unhappy about the utilization of the fuel taxes, or the lack thereof, in supporting the infrastructure of this province. They believe that the taxes, the entire amount of the taxes, should be utilized for exactly what it was collected for — its road tax, its fuel tax — and go back and maintaining the roads, Mr. Speaker, of this province.

And what's happening because the province is not supporting the road structure in this province, the traffic is moving off onto the municipal roads and the government has been reducing their support to municipalities. So even those roads, Mr. Speaker, are now starting to deteriorate again because of the lack of concern and funding by this government for the infrastructure.

They talk a lot about infrastructure, Mr. Speaker, but they only want to be involved in infrastructure when they can have their name up in bright lights and say the Minister of Highways is doing this. Unfortunately, they pay a lot for the big sign but they don't pay very much to fix the road, Mr. Speaker.

There are a number of other items in this particular Bill, Mr. Speaker, that I believe need to be seriously addressed, and I've mentioned some of them earlier.

The propane taxes. Are they being charged on residential fuel as would seem to be indicated in this Bill? Are they being charged on propane being utilized for agriculture as would seem to be charged, Mr. Speaker? Because clearly this Act states that it's only those items that are less than 100-pound cylinders that can qualify. So, Mr. Speaker, there are a good number of items here that need to be addressed.

We see the Highways department driving around with very nice vehicles, but they're not doing a lot of work. The fact is, Mr. Speaker, \$61 million is actually going for highway reconstruction, to build new highways. But most of that, Mr. Speaker, is being spent on two projects. It's being spent on two projects. A little bit on twinning No. 1 Highway and on twinning No. 16.

And even then, Mr. Speaker, with all the fuel taxes that are collected by this government, it's going to take 15 long years, Mr. Speaker, 15 long years to complete the twinning of No. 1 Highway.

How many deaths, Mr. Speaker, have we already heard reported in this legislature? We were discussing the Department of Highways. It was kind of ironic, a very sad, ironic situation, Mr. Speaker. We were discussing the estimates of the Department of Highways when we were first informed of that very tragic accident in the Maple Creek area where three people lost their lives and about five or six vehicles were involved, Mr. Speaker.

And we're just lucky, Mr. Speaker. We're extremely lucky.

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

**Mr. Weekes:** — To ask for leave to introduce guests.

Leave granted.

### INTRODUCTION OF GUESTS

**Mr. Weekes:** — Mr. Speaker, I'd like to take this opportunity to introduce to you, children from Leask School. And I thank you very for coming and I'd like to speak to you after if you're available. Please join me in welcoming these students.

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

### ADJOURNED DEBATES

#### SECOND READINGS

#### Bill No. 45 — The Fuel Tax Act, 2000 (continued)

**Mr. D'Autremont:** — Thank you, Mr. Speaker. Mr. Speaker, as I was stating, we're very lucky that the buses involved in that particular accident were not carrying school children or were not carrying people on a tour. The buses were empty, and thank God for that, Mr. Speaker, because we would have had a very major tragedy, and a tragedy that I would hope we could avoid in the future, Mr. Speaker. And the way to avoid those tragedies is to fix the highways.

And we very, very much, Mr. Speaker, need to start proceeding in that manner as quickly as possible. We're prepared to join with the members opposite, Mr. Speaker, in approaching the federal government and demanding, Mr. Speaker, demanding our fair share of the tax dollars that are collected in this province for fuel taxes, that they be returned to the highways.

Between the province's 350, 360 million, the federal government's \$200 million, there is money available, Mr. Speaker, to actually start repairing the highways in this province. It's time that it actually happened.

So I call on the members opposite, join with us, send a strong message to the federal government that they must start living up to their commitment and providing the tax dollars that they collect in this province for fuel taxes and turn it back into fixing our highways, Mr. Speaker.

Mr. Speaker, I believe at this point in time it would be appropriate that I move adjournment of debate.

Debate adjourned.

The Assembly adjourned at 4:56 p.m.