

The Assembly met at 1:30 p.m.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Ms. Draude:** — Thank you, Mr. Speaker. I have a petition today to save Lanigan and Watrous hospitals.

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

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

**Mr. Gantefoer:** — Thank you, Mr. Speaker. I too rise on behalf of citizens concerned about medical services. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to take necessary steps to ensure the Cupar Health Centre remains open and physician services are retained in the community of Cupar.

Signatures on this petition, Mr. Speaker, are from the communities of Dysart, Cupar, and Lestock.

I so present.

**Mr. Peters:** — Thank you, Mr. Speaker. I also have a petition in regards to the health care in the province. And the prayer reads this way:

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 the petition, Mr. Speaker, is signed by folks from the community of Young.

I so present.

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, I too rise today to present a petition on behalf of citizens concerned about the future of health care in this province. 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 folks from Plunkett, Colonsay, Viscount, and Young.

I so present.

Thank you, Mr. Speaker.

**Mr. Wall:** — Thank you, Mr. Speaker. I too rise on behalf of people in the Lanigan and Watrous areas concerned about health care in their area. 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, Mr. Speaker, this petition is signed by people from Imperial and Young.

I so present.

**Ms. Bakken:** — Thank you, Mr. Speaker. I too rise today to present a petition on behalf of people concerned about the crisis in health care in our province. And 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 this is signed by people from Allan, Saskatchewan.

I so present.

**Mr. Weekes:** — Thank you, Mr. Speaker. I also would like to present 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.

From the citizens of Young, Saskatchewan. Thank you.

**Ms. Harpauer:** — Thank you, Mr. Speaker. I have a petition of citizens concerned about health care in our province. And 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 that the Nokomis Health Centre remains open.

And the petitioners are from the town of Nokomis.

I so present.

**Mr. Addley:** — Thank you, Mr. Speaker. I have a petition collected on behalf of the youth of Saskatchewan. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to legislate a total ban of smoking in all public places and workplaces in the province of Saskatchewan.

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

I so present.

**Mr. Hart:** — Mr. Speaker, I rise to present a petition on behalf of the citizens concerned about the retention of medical services. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to take the necessary steps to ensure that the Cupar Health Centre remains open and physician services are retained in the community of Cupar.

And the signatures to this petition come from the communities of Dysart and Cupar.

I so present.

**Mr. Allchurch:** — Thank you, Mr. Speaker. Mr. Speaker, I rise in the Assembly today to bring forth a petition regarding the hospital closures:

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.

The signatures on this petition come from Viscount and Meacham.

I so present.

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. It's my pleasure to rise on behalf of my constituents and present a petition opposed to nursing home fee increases.

The prayer reads as follows:

Wherefore your petitioners will humbly pray that your Hon. Assembly may be pleased to cause the provincial government to rescind the large increases in nursing home fees.

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

This petition is signed by the good citizens of Arborfield, Carrot River, Mistatim, and Nipawin, Mr. Speaker.

I so present.

**Mr. Thomson:** — Thank you, Mr. Speaker. I'd like to present a petition requesting that smoking be banned in all public places. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to legislate a total ban on smoking in all public places and workplaces in the province of Saskatchewan.

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

These petitions were collected by youth of the province and it

appears they are all from my riding except for one, who is from Pense.

### 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.

These are petitions of citizens of the province on the following matters:

The amalgamation of municipalities;

Funding for the Swift Current Regional Hospital;

Cellular service in Prud'homme, Bruno, Vonda, Cudworth, Strasbourg, Duval, Govan, and Bulyea;

The maintenance of the Lanigan and Watrous hospitals;

A ban on smoking in public places and workplaces; and

The restoration of the Paddockwood access road.

### NOTICES OF MOTIONS AND QUESTIONS

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, I give notice that I shall on day 69 ask the government the following question:

To the minister responsible for Liquor and Gaming Authority: what are the detailed losses recorded in the horse racing at Regina exhibition association and Saskatoon Prairieland Exhibition; who are the board members and what are their salaries for both of these organizations?

And while I'm on my feet, Mr. Speaker, I give notice that I shall again on day 69 ask the government the following question:

To the minister responsible for the Liquor and Gaming Authority: how much money did the horse racing industry receive in grants in the last fiscal year; who was on the advisory board for the horse racing industry, and are they appointed?

Thank you.

**Mr. Brkich:** — Thank you, Mr. Speaker. I give notice I shall on day no. 69 ask the government the following question:

To the Minister of Economic and Co-operative Development: how much money has your department invested in ethanol plants in Saskatchewan?

**Mr. McMorris:** — Thank you, Mr. Speaker. I give notice that I shall on day no. 69 ask the government the following question:

To the Minister of Agriculture: how much profit did Saskferco make in the last fiscal year?

## INTRODUCTION OF GUESTS

**Ms. Higgins:** — Thank you, Mr. Speaker. Mr. Speaker, I would like to introduce to you and through you to members of the Assembly a group sitting in your west gallery.

This group is from the Moose Jaw Multicultural Council and includes adult learners studying English as a second language. This group is accompanied by Sherry Avinou, Dean Kush, and Margaret Campbell.

Mr. Speaker, the Moose Jaw Multicultural Council does a great deal of work with ESL (English as a second language) and in many other ways helps with new Canadians — not only right in Moose Jaw but in the surrounding area — make their transition to life in Saskatchewan and Canada as smooth as possible.

And I'm very pleased to welcome you here this afternoon and hope you enjoy watching the proceedings. And I would like all members of the House to welcome you here this afternoon.

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

## STATEMENTS BY MEMBERS

### Opening of Booth Siding Terminal

**Mr. Harper:** — Thank you, Mr. Speaker. I have some great agriculture news for the people in the Raymore area. Saskatchewan Wheat Pool has officially opened its state-of-the-art, high-throughput facility at Booth Siding, six kilometres west of Raymore, Saskatchewan on beautiful Highway No. 15.

The Booth Siding Terminal has a grain-handling capacity of 27,800 tonnes including 16,300 tonnes of condo storage, and the capacity to clean grain to export standards.

This adds up to positive progress for farmers in the area and positive progress for the Saskatchewan Wheat Pool. The opening of Booth Siding Terminal is an important step in Sask Wheat Pool's expansion strategy that will help shape the next century of agri-business in Western Canada.

The terminal is possible through the co-operation and involvement between the community and Sask Wheat Pool. This is another important example of hard-working people building on the strengths of this great province the Saskatchewan way.

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

### Weyburn Author Publishes New Book

**Ms. Bakken:** — Thank you, Mr. Speaker. Mr. Speaker, the importance of citizenship and a love for Canada is the theme behind Weyburn author Joanne Bannatyne-Cugnet's new book *From Far and Wide* which was launched this past weekend in Weyburn.

Joanne Bannatyne-Cugnet is the author of the much loved books *A Prairie Alphabet* and *A Prairie Year*.

The illustrator in Joanne's new book is Song Nan Zhang who is originally from China. He lived under the dictatorship of Mao Tsi-tung and so his personal story is one of escaping oppression and of his love of Canada and freedom. His illustrations are wonderful.

Joanne Bannatyne-Cugnet has put Weyburn on the map and we'd like to congratulate her for another great accomplishment. And we look forward to many more exciting books from this great author.

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

### Amyotrophic Lateral Sclerosis Week

**Ms. Higgins:** — Thank you, Mr. Speaker. Today I rise in the House on behalf of my colleagues to recognize ALS Week. ALS stands for amyotrophic lateral sclerosis and is more commonly known as Lou Gehrig's disease.

It is a progressive, fatal, neuromuscular disease afflicting many members of our society. Though people afflicted with ALS suffer from rapid physical deterioration, their senses and minds remain unaffected.

ALS does not discriminate. It affects men and women equally and can occur at any age. Though the likelihood of ALS occurrence becomes more likely as a person ages, those in the prime of their life are just as vulnerable to the disease.

Ninety per cent of those who have ALS have no family history of the disease. Only 10 per cent of the cases can be classified as inherited ALS.

Right now there is no cure for ALS, nor are there any successful treatments for slowing down or combatting the symptoms. Though research has improved our understanding of this disease and has yielded many breakthroughs, more research is still needed in order to find ways of treating ALS.

My colleagues and I are wearing these cornflowers as a symbol of our solidarity with those who suffer from ALS. We realize that it is not only those who have the disease that suffer; their families, loved ones, and others involved in their lives suffer as well.

Finally I want to commend the ALS society for the fine job they do in educating the public . . .

**The Speaker:** — Order. The member's time has expired.

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

### Saskatchewan Special Olympics Developmental Summer Games

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, this past weekend the city of Estevan hosted the Saskatchewan Special Olympics Developmental Summer Games. Over 200 gifted athletes arrived from all over the province for competitions.

At the opening ceremonies, Rory Allen touched everyone's heart with the kindnesses he showed to these special people

during his tribute to Elvis.

Mr. Speaker, I enjoyed meeting many of the athletes as they spent their weekend focusing on developmental skills, teamwork, friendship, and fun. I would like to congratulate all of the athletes and volunteers on this huge success.

Thank you.

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

### Biggar Summer Musical

**Hon. Ms. Atkinson:** — A few days ago we were told about Shakespeare on the Saskatchewan which takes place just a brisk swim across the river from my constituency. And, Mr. Speaker, when you have finished brushing up on your Shakespeare, I have another summer theatrical suggestion for you and all members — this time, the place I was born in, Biggar, the town that put New York on the map.

In fact, this summer extravaganza is called, *New York is Big . . . But This Is Biggar — the Musical*. It opens off-Broadway at the historic Majestic Theatre on Main Street in Biggar on July 27. So if you rush, you should be able to get a ticket.

In the grand Saskatchewan tradition, Mr. Speaker, this production about the history of Biggar is truly a co-operative community effort. It is sponsored by the Biggar Museum and Gallery, with the generous support of the Canada Millennium Partnership Program.

The play is written and directed by Biggar native son, Tom Bentley-Fisher, better known for his years as director of Saskatoon's 25th Street Theatre. He and composer Angie Tysseland have written a number of songs soon to be on the charts, including one about the CPR (Canadian Pacific Railway) and William Hodgins Biggar, for whom the town is named.

Six well-known actors with a huge supporting cast of singers, actors, and dancers from the community will keep our toes tapping and our senses tingling. This is one not to miss, Mr. Speaker. Thank you.

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

### Lights off at the Legislative Assembly

**Mr. Heppner:** — Thank you, Mr. Speaker. Yesterday when I spoke on SaskPower I related a story that one of my two socialist friends often likes to tell about Tommy Douglas's pride about rural electrification, in spite of the fact that other provinces managed to achieve the same things without the socialist hoards waving the *Regina Manifesto*.

But yesterday, Mr. Speaker, we finally saw some competition in SaskPower, and today the lights went off in this building. It seems the CCF-NDP (Co-operative Commonwealth Federation-New Democratic Party) couldn't get it right when they had a monopoly, and they can't get it right when they're in competition.

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

### Hearing Assistance Service for Visitors to the Legislative Building

**Mr. Trew:** — Mr. Speaker, good things continue to happen. I want to take just a minute to congratulate Lorraine deMontigny and her staff at visitor services, as well as to congratulate Mr. George Thomas of the Saskatchewan Deaf and Hard of Hearing Services.

What's happened, Mr. Speaker, is visitor services now have a special service for people who are deaf and hard of hearing, and four different technical fixes for visitor services. So if someone comes to the Legislative Building and wants to have a guided tour we can assist people who are hard of hearing now. It is wonderful that they have just purchased the Easy Listener System, Mr. Speaker — microphones, radio waves, transmitters and so on.

It's through small, sensitive acts such as this that public servants of Saskatchewan, and indeed all the people of Saskatchewan, have gained a reputation for courtesy, co-operation, and consideration. Mr. Speaker, again I congratulate George Thomas for his suggestion to improve visitor services and to Lorraine and her crew for implementing it. Thank you.

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

### Western Canada Farm Progress Show

**Hon. Mr. Nilson:** — Mr. Speaker, the Western Canada Farm Progress Show is being held in Regina this week. This show is a high calibre exposition of dryland farming expertise, technology, and equipment that attracts exhibitors and visitors to Regina from around the world.

It serves as the place for more than 700 companies to display a wide range of new products and expertise. It's a showcase for Saskatchewan's dryland farm implement manufacturers who have helped to diversify the agricultural economy.

The exhibitors demonstrate the latest in agricultural technology, but also products for the modern farm home and even antique farm implements.

The Farm Progress Show helps to sell the Canadian agri-food industry to the world. Each year the number of foreign visitors increases, with a record 397 visitors from 36 countries attending last year. The International Business Centre provides a link between international buyers who attend the show, and Canadian exporters looking to move into foreign markets.

Each year the Farm Progress Show contributes \$50 million in export sales to the Canadian economy.

Mr. Speaker, the Regina Exhibition Association and all the staff of the Western Canada Farm Progress Show are to be commended for the success of this event in Regina.

Mr. Speaker, I encourage all MLAs (Member of the Legislative Assembly), all citizens of Saskatchewan to attend this show. Thank you.

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

## ORAL QUESTIONS

### Saskatchewan Indian Gaming Authority

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Gaming minister. Madam Minister, has Dutch Lerat or SIGA (Saskatchewan Indian Gaming Authority) donated to any political parties or campaigns in the last year?

**Hon. Ms. Hamilton:** — Well, Mr. Speaker, I believe the member is talking about issues that I stated yesterday would be addressed in the auditing process. I can tell them today a team of auditors, including the Provincial Auditor, has been assembled and the audit process is underway.

The audit team, as I stated yesterday, will review all aspects of the issues identified by the normal audit review processes, and it will review the systems and controls and actions taken by SIGA, including its CEO (chief executive officer), board of directors, and key staff.

I'm not prepared to discuss those details or the status of the audit process. That would interfere with the audit team's ability to do its work, Mr. Speaker. And I can tell the member that the audit team is expected to be completing their work by the end of this summer.

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

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. Mr. Speaker, over the past year Dutch Lerat received \$360,000 in expense money. There were virtually no receipts, so we really have no idea where any of this money went.

Mr. Speaker, the Deputy Premier's 1999 election return shows a \$500 contribution from Mr. Lerat and another \$500 contribution from Florence Lerat. To the Deputy Premier: did Dutch Lerat use SIGA money to contribute to your election campaign?

**Hon. Mr. Lingenfelter:** — Mr. Speaker, Mrs. Lerat, who is Dutch's mother, lives in the riding of Elphinstone and has been a supporter of the New Democratic Party as I understand, for some time. I don't know the amount that they would have donated to the campaign, if they donated any. I will check on that. But the fact of the matter is, Mr. Lerat's mother lives in the riding and is an active participant in elections over the years — not just last election, but for a number of elections.

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

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. Once again to the Deputy Premier. What assurance can you give us that the money that Dutch Lerat contributed to your election campaign did not come from the \$360,000 in unauthorized expenses discovered by the Provincial Auditor?

**Hon. Mr. Lingenfelter:** — I want to make it clear to the member opposite who raises the name of an individual, an elderly woman in my riding, I'm sure without consulting with her, without consulting with her, I just want to make it very clear — the Elphinstone executive and our party have gone to

great lengths to include Aboriginal and First Nations people in our executive and in our campaigns.

And I want to make it clear to the member opposite, if you're saying that either Mr. Lerat or his mother, Ms. Lerat, have given money inappropriately, say it outside of the House. Because I'll say to you, I will defend the involvement of First Nations people in my riding executive.

And I'll tell you as well, if you believe there is wrongdoing, go outside of the House, report it to the RCMP (Royal Canadian Mounted Police), but don't hide in here and make your accusations.

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

**Mr. Kwiatkowski:** — Well, Mr. Speaker, we've now confirmed that the Deputy Premier did receive money from Mr. Dutch Lerat.

What's even more interesting, Mr. Speaker, is his Liberal partners got money directly from SIGA. Mr. Speaker, the Liberal's 1999 annual return shows a contribution of \$1,779 from SIGA.

To the Minister responsible for Gaming: why is SIGA donating to the Liberal Party?

**Hon. Mr. Lingenfelter:** — Mr. Speaker, if we're going to get into who gave money to whom, I want to challenge the member opposite to explain as well why Conrad Black gave \$75,000 to your political party.

But I want to go back to your earlier . . .

**The Speaker:** — Order, order. Order. The question's been asked; kindly allow the answer to be heard.

**Hon. Mr. Lingenfelter:** — Mr. Speaker, in asking his question in his preamble, went on the attack of the Lerat family in my riding, a family that has lived in the area of Elphinstone for a number of years.

I say to the member opposite, if you have any evidence that the money that was donated in the Elphinstone riding from Dutch Lerat's mom, or from Dutch himself, I challenge you to go outside of the House, make those accusations. And if you have any evidence, you have a responsibility not to play politics here, but to report it to the RCMP.

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

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. Mr. Deputy Premier, you know perhaps better than anyone else that SIGA profits are supposed to go 50 per cent to the First Nations fund, 25 per cent to the associated entities fund, and 25 per cent to the General Revenue Fund. I don't see anything about the Liberal Party getting a cut.

To the Liberal leader: do you think your party should be accepting donations from SIGA, and will you return these contributions to the Saskatchewan taxpayer?

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

**Hon. Ms. Hamilton:** — Well, Mr. Speaker, it's sad and it's unfortunate that the members opposite are playing this . . .

**The Speaker:** — Order.

**Hon. Ms. Hamilton:** — Mr. Speaker, it's sad and it's regrettable that that member is trying to play this kind of politics with casinos that provide jobs for 1,100 people in this province; provide economic benefits to communities in which they are located; and, as he states himself, provides benefits to charities and social activities throughout this province. Very regrettable that he chooses to go this direction.

But, Mr. Speaker, I would talk to the people of the province through the member's question to say that issues like this are going to be addressed in the normal course of the review process we have underway. We have a team of auditors assembled, including the Provincial Auditor. That process is now underway.

I'm feeling very saddened by the member trying to interfere with the audit team's ability to do their work. I would encourage him not to do that with this process, Mr. Speaker.

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

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Gaming minister. Mr. Speaker, yesterday we asked the minister what she knew about the internal management of SIGA. And what does the minister say? "Politically we're not responsible." Those were her exact words: "Politically we're not responsible." Isn't that a typical NDP response?

Madam Minister, the fact is you are responsible for SIGA, and yesterday you couldn't answer a single question about SIGA's financial operations. Madam Minister, you are responsible for ensuring SIGA is run properly. It was your negligence that led to this mess. Why are you refusing to take responsibility?

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

**Hon. Ms. Hamilton:** — Mr. Speaker, the member opposite knows that it's Saskatchewan Liquor and Gaming Authority that has a statutory obligation and a legal requirement to regulate gaming in this province.

Mr. Speaker, it's not a minister's responsibility to play politics with that legal responsibility vested to the authority. As the regulator, Saskatchewan Liquor and Gaming is doing what it must do. Please let them do that, Mr. Speaker.

We expect compliance, as I said yesterday, just as we expect any other licensee to comply. Compliance is not negotiable.

Mr. Speaker, I mention to the member opposite that Liquor and Gaming Authority must . . .

**The Speaker:** — Order. I would ask the hon. member from Rosthern to kindly allow the minister to be heard. Hon. Minister of Liquor and Gaming, complete your answer.

**Hon. Ms. Hamilton:** — I'm sorry, Mr. Speaker. I didn't see you on your feet that quickly.

Mr. Speaker, I was mentioning that the Saskatchewan Liquor and Gaming Authority has the legal and the statutory requirement to regulate gaming. They are the regulator. I won't speculate about the compliance measures they're taking, but they do have that responsibility and requirement.

I also say that I'm not the person to go in and do the detailed auditing of any organization in the province.

**The Speaker:** — Order.

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

**Ms. Eagles:** — Thank you, Mr. Speaker. It was a long speech — not much in content — but . . . nonetheless.

Mr. Speaker, the minister says she is not responsible for SIGA's financial procedures. That's not what the Provincial Auditor says. In fact, the *1999 Spring Report of the Provincial Auditor* has an entire section of steps the Liquor and Gaming Authority should have taken to ensure SIGA is being run properly.

Mr. Speaker, in 1999 the auditor said:

The Liquor and Gaming Authority's rules and procedures to regulate and monitor SIGA's operation need improvement.

Then he made eight specific recommendations for the Liquor and Gaming Authority to follow.

What steps have you taken, Madam Minister, to implement the auditor's 1999 recommendations?

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

**Hon. Ms. Hamilton:** — Mr. Speaker, the member opposite would know, and it would be tabled by the Authority, that all of those issues were addressed by the Liquor and Gaming Authority and outlined in detail what steps were being taken, Mr. Speaker.

As in any auditing process, particularly of an economic engine that is fairly new to this province, we are taking our responsibility seriously. As the auditor points out, anything that could be done to strengthen the integrity of that economic engine and that process, we comply with and we follow his suggestions. We also tell the people of this province what we're doing to make certain that that occurs.

Thank you, Mr. Speaker.

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

**Ms. Eagles:** — Mr. Speaker, the minister has repeatedly stated that she is not responsible for the internal financial controls at SIGA. She says her responsibility only started after she received reports of irregularities from the Provincial Auditor.

However, that's not what the auditor says. In 1999 the

Provincial Auditor recommended that the Liquor and Gaming Authority should work with SIGA to establish an internal audit function at SIGA — an internal audit function, Madam Minister. That means your responsibility started well before the Provincial Auditor looked at the books.

Madam Minister, what steps have you taken in the past year to ensure SIGA established an internal audit procedure?

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

**Hon. Ms. Hamilton:** — Thank you, Mr. Speaker. I have mentioned to the member opposite that when the auditor does his reporting, Saskatchewan Liquor and Gaming Authority takes those very seriously. It's my responsibility to oversee the measures that they take to respond. They respond to me in detail in how they are working together in co-operation with an organization to comply with the auditor's requests.

Some of the work outlined is saying that we are taking steps and progress had occurred, and others say we have completed those. That is all a matter of public record. She has chosen to use the first part of the public record and not look at the responses that were provided by Saskatchewan Liquor and Gaming Authority, Mr. Speaker.

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

**Ms. Eagles:** — Thank you, Mr. Speaker. Madam Minister, if SIGA had had a proper internal audit process in place, Dutch Lerat could never have taken \$360,000 in expense claims without receipts. The Provincial Auditor says it was your job to ensure that internal audit was in place and you failed.

Madam Minister, you say you are now taking steps to tighten up SIGA's financial procedures. Well you're just a little bit late. Why didn't you take these steps a year ago when the Provincial Auditor first recommended it?

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

**Hon. Ms. Hamilton:** — Mr. Speaker, as I mentioned, she's outlining what the Provincial Auditor said to us. She has chosen to disregard the work of Saskatchewan Liquor and Gaming Authority to address the auditor's concerns.

Mr. Speaker, we are always prepared to look at the auditor's recommendations as he brings them forward to ensure the integrity of the gaming industry in this province. This is no different.

But, Mr. Speaker, when you're working with another organization, you put forward the recommendations, you are assured that the recommendations are going to be worked out. And, Mr. Speaker, yes, something that was brought to my attention last Wednesday says to me — not from speculation, not from anything they might pick up, Mr. Speaker — but from our Provincial Auditor, here are the concerns, he says. There are twofold concerns here; you need to address those. We began that work immediately to address those issues, Mr. Speaker.

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

**Ms. Eagles:** — Mr. Speaker, the Provincial Auditor says the Liquor and Gaming Authority receives monthly revenue and expense reports from SIGA. The actual results are then compared to budgeted results.

Mr. Speaker, this just begs the question: how did the Liquor and Gaming Authority miss \$30,000 a month of unauthorized and unbudgeted expenses? How did you miss that?

Madam Minister, you are responsible and you weren't minding the store. Madam Minister, you approved SIGA's budget. You received monthly expense reports. Dutch Lerat was making \$1,000 a day in unauthorized expense claims. How on earth did you miss this for an entire year?

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

**Hon. Ms. Hamilton:** — Mr. Speaker, in the course of the events, as the Provincial Auditor would also know that, KPMG, the auditor for SIGA — the auditor of record for SIGA — presented very early on in the working paper stages the concerns that they had. Very quickly they alerted people to take action, and the Saskatchewan Liquor and Gaming Authority moved, as I mentioned in my statement, to take serious steps to address the concerns outlined to us.

Mr. Speaker, if anything, very quickly we wanted to let people know what we were doing in response to the serious concerns. If anything, Mr. Speaker, the auditing processes — as we have them in place — picked this up; they alerted us, and we acted swiftly to comply.

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

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, this minister says she's not responsible. The NDP set up casino gambling in this province; the NDP signed the SIGA agreement; the NDP reviews SIGA's expense reports every month — but, of course, they're not responsible.

They're not responsible for blowing \$10 million on SPUDCO (Saskatchewan Potato Utility Development Company); they're not responsible for blowing \$10 million on Channel Lake; they're not responsible for blowing \$3 million in Guyana; and they're not responsible for this latest mess — it's always somebody else's fault.

Madam Minister, you clearly are responsible. You reviewed the books every month. You were supposed to set up an internal audit procedure. Why weren't you doing your job?

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

**Hon. Ms. Hamilton:** — Mr. Speaker, I would say that I am responsible for the oversight of the regulator to make certain that they are carrying out their responsibility. The Saskatchewan Liquor and Gaming Authority also have responsibility. Neither group, neither myself nor the Saskatchewan Liquor and Gaming Authority, have done other than to be the regulators of gaming in the province of Saskatchewan.

As the regulators we are doing what we must do. We expect

compliance. We expect that of any licensee in the province, Mr. Speaker. Compliance is not negotiable.

I won't speculate on what measures we'll be taking to have that compliance occur because it compromises Liquor and Gaming Authority's ability to do that, to provide the strategies to do that.

Mr. Speaker, she chooses again to use the front part of a statement, does not complete the statement that I used . . .

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

### Construction Industry Union Legislation

**Mr. Weekes:** — Mr. Speaker, my question is for the Premier.

Mr. Premier, yesterday you received a letter from the Saskatchewan Alliance for Economic Growth. Mr. Premier, the Alliance is asking for an emergency meeting to discuss the NDP's plan of forced unionization and they are asking you to put the brakes on your plan to force unionization of the construction industry.

According to the Saskatchewan Alliance for Economic Growth, Bill 59, The Construction Industry Labour Relations Amendment Act, 2000 will indeed force construction companies to unionize and send a strong negative message to the rest of the country — Saskatchewan is not open for business.

Mr. Premier, will you agree to meet this week with the Saskatchewan Alliance for Economic Growth and will you agree to dump Bill 59 before it creates yet another NDP economic disaster.

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

**Hon. Mr. Romanow:** — Mr. Speaker, I believe this question — not the specific question of the meeting but surrounding the proposed legislation — has been asked many, many times and has been answered many, many times very adequately by the Minister of Labour.

This is legislation which is not disjunctive or in nonconformity with the legislation that exists elsewhere in Canada. It is in fact with conformity with respect to the proper labour relations laws of Canada.

With respect to the meetings, the letter that he raises, I frankly haven't seen this request run across my desk at this point. I'll consider it as soon as I get a chance to get back to the office and take a look at it. But I have to indicate too, that probably by this stage in the game, there's not much that can be added to the answers and the reason as to why we're doing this other than what the Minister of Labour has said so eloquently over the weeks previous.

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

**Mr. Weekes:** — Mr. Speaker, another question for the Premier. Mr. Premier, the Saskatchewan Alliance for Economic Growth represents 65 per cent of all businesses in Saskatchewan. They

are saying the NDP's destructive legislation will force unionization and stifle economic growth. They say the Labour minister has been making statements that may confuse members of the legislature and the public.

Mr. Premier, the Saskatchewan Alliance for Economic Growth is telling you that your legislation stinks. They want a meeting with you to discuss NDP labour policies the alliance says are not good for the business community and not good for the economy.

Mr. Premier, are you prepared to listen to the business community in Saskatchewan? Will you admit your plan to force unionization on the construction industry is bad public policy. And will you agree to shelve Bill No. 59 until you have legitimately consulted with the business community.

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

**Hon. Mr. Romanow:** — Mr. Speaker, the hon. member's question is predicated on a strong difference in ideology between his party and the coalition government. And our position is that the business community and the trade union community must work together in a true partnership in order to make sure that the economic activity of Saskatchewan is enhanced and that it grows.

We think that our labour laws and the facts indicate that it's working. We have 14,000 more people working by the end of May of 2000 compared to year 1999 — 14,000. Highest number of people working in the province of Saskatchewan since the formation of this province in entering into Confederation in 1905. And the labour laws were obviously a part of this.

So what we want is to have balanced, fair labour laws. We think this particular legislation does exactly that. That is not what the hon. member believes in; that is obviously not what the group that he speaks for believes in; it's however what we believe in. We have a difference of agreement here.

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

**Mr. Weekes:** — Mr. Speaker, another question for the Premier. Mr. Premier, the last thing we need from you and your NDP cronies are more worn out NDP slogans. What we need is a government that listens.

The Alliance for Economic Growth represents some of the most respected organizations in Saskatchewan — the Saskatchewan Chamber of Commerce, the Saskatchewan Federation of Independent Businesses, the Prairie Implement Manufacturing Association, the Saskatchewan Construction Association, the Meadow Lake Tribal Council, and the Canadian Restaurant and Food Services Association. Mr. Premier, the list goes on and on.

Will you demonstrate that you are listening. Will you agree to meet with the Saskatchewan Alliance for Economic Growth. And will you agree to dump your destructive plan to force unionization in the construction industry?

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



**Hon. Mr. Romanow:** — Mr. Speaker, the hon. member can continue to keep asking. It's his right. It's my right to continue to keep answering. And I've said to the hon. member opposite, we have a difference with respect to the legislation.

I'm advised by the Minister of Labour that either herself or somebody in the Department of Labour has met with nearly a hundred times on a hundred occasions, a hundred occasions, in discussing this Bill, in discussing with individual members who have concerns about the legislation. So there has been widespread consultation.

But the proof of the matter is, Mr. Speaker, that there were more jobs created in the history of the province of Saskatchewan since Confederation in 1905; more than when that group was in office, more by a country mile. More permanent jobs, less part-time jobs, more population, more diversification, more value-added, lower taxes. This economy in this province is growing, thanks to the entire climate in Saskatchewan.

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

**Mr. Weekes:** — Mr. Speaker, another question for the Premier. Mr. Premier, the Saskatchewan Alliance for Economic Growth is asking you to set aside the destructive forced unionization legislation until your government has held real consultation with the construction industry.

This afternoon this legislature will be dealing with Bill 59, The Construction Industry Labour Relations Amendment Act, 2000. The Saskatchewan Party will be moving a motion to put this dangerous and destructive legislation on hold for six months while the government completes some real consultation with the construction industry.

Mr. Premier, will your government support this motion and will you commit today to a full round of meaningful consultation with members of the Saskatchewan Alliance for Economic Growth?

**Hon. Mr. Romanow:** — Mr. Speaker, I think that any objective observer of the Saskatchewan economic scene and in the aspect of industrial relations, must testify to the fact this is probably been — talking about destructive, the old policy of double-breasting — one of the most destructive programs and policies around. It has not been solved by anybody over the last number of years. It has created confusion, both on the working side of working men and women and on the employer side. It exists in no other province except Saskatchewan. It was introduced by the Devine Conservative administration and with it sowed the seeds of division of which this hon. member complains.

Now the answer to the matter is simply this. We want everybody to work together. We represent government, we represent business, we represent farmers. We try to have the common weal of the province of Saskatchewan uppermost in the administration of government.

So the answer is, here, we believe this legislation is balanced. You people can advance it. I know that you believe in right to work. I know you believe in Alabama North. We don't.

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

## INTRODUCTION OF BILLS

### Bill No. 219 — The Property Rights Act

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I move first reading of a Bill No. 219, The Property Rights Act.

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

### Bill No. 229 — The Children's Law Amendment Act, 2000 Loi de 2000 modifiant la Loi de 1997 sur le droit de l'enfance

**Ms. Draude:** — Thank you, Mr. Speaker. I move first reading of Bill No. 229, The Children's Law Amendment Act, 2000.

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

## STATEMENT BY THE SPEAKER

### Legislative Building Access

**The Speaker:** — Hon. members, before orders of the day, I have a statement to make.

Yesterday, an allegation was made during statements by members which I feel must be addressed. The subject of the member for Rosthern's statement concerned accessibility to the Legislative Building, and the role played by security staff in carrying out policy.

The security of all that transpires in the Legislative Building is the responsibility of the Speaker and the Board of Internal Economy. This includes ensuring that there is a safe environment for all individuals who work within the precincts, while maintaining reasonable access to visitors, organizations, and others who wish to visit or carry out business in this building.

Since the start of this year there have been many occasions where individuals and groups have been permitted to use the Legislative Building as the venue for publicizing their opinions. Where they have abided by the security policy set by the Board of Internal Economy, they have been permitted to proceed. Where they have not, it has been the responsibility of the staff of the Sergeant-at-Arms to take the appropriate steps to uphold the security policy.

The member for Rosthern's comments yesterday can be construed as questioning the impartiality of the security staff in upholding this policy. I wish to reiterate, hon. members, comments I made in a ruling on April 17, 2000 in which I cautioned members not to attack those individuals who are not able to respond.

Reflections on the impartiality of the Speaker or the staff of this Assembly impugn the spirit of rule 32. As your Speaker I am not concerned about how such comments may offend me personally. It is, however, my duty to protect the integrity and

impartiality of the legislative staff and the Office of the Speaker. These individuals may not participate in the debate, and thus cannot answer any allegations made by a member on the floor.

The member is correct in identifying the Speaker as being responsible for the administration of the Assembly. The member should also be aware that it is not in order to raise issues respecting the Speaker's administrative responsibilities on the floor of the Assembly.

I refer members in that respect to Beauchesne's, 6th Edition, paragraph 119, which expresses this long-standing practice, and I quote:

If information relating to matters under the jurisdiction of the Speaker is required, it must be obtained privately.

The reason for this practice, as I noted earlier, is that the Speaker cannot participate in debate or respond to questions in the House.

Commenting publicly in this Assembly is not the appropriate forum in which to raise such concerns. Members are welcome to meet with me in my office at any time to discuss concerns they may have with respect to administration of the Assembly.

It is my intention to raise the hon. member's concerns later this afternoon during my weekly meeting with House leaders. I invite the member from Rosthern, and any other interested member, to join us. A meeting such as this is the appropriate forum in which to address these types of issues.

I wish to remind all hon. members, these are your rules, not those of the Chair. In my experience, it has always been prudent to canvass all sides of an issue before drawing conclusions. I encourage all members to put forward a positive example for the citizens of this great province.

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

#### ORDERS OF THE DAY

#### WRITTEN QUESTIONS

**Mr. Yates:** — Thank you, Mr. Speaker. On behalf of an open and accountable government, Mr. Speaker, we're extremely happy to table a response to question no. 183.

**The Speaker:** — The answer to question 183 is tabled.

**Mr. Yates:** — Thank you, Mr. Speaker. I'm having difficulty hearing the Table officers but on behalf of the government, we're extremely happy to table a response to question 184.

**The Speaker:** — The answer to question no. 184 is tabled.

**Mr. Yates:** — Thank you, Mr. Speaker. Once again, being an open and accountable government, we're extremely happy to table an answer to no. 185, question 185.

**The Speaker:** — Answer to question 185 is tabled.

**Mr. Yates:** — Thank you, Mr. Speaker. Once again, we are extremely pleased and happy to table a response to question no. 186.

**The Speaker:** — Answer to question 186 is tabled.

**Mr. Yates:** — Convert.

**The Speaker:** — Convert question no. 187.

**Hon. Mr. Lingenfelter:** — Mr. Speaker, by leave I would move that we go to government business.

Leave granted.

#### GOVERNMENT ORDERS

#### ADJOURNED DEBATES

#### SECOND READINGS

#### Bill No. 65

The Assembly resumed the adjourned debate on the motion by the Hon. Mr. Nilson that **Bill No. 65 — The Crown Corporations Amendment Act, 2000** be now read second time.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. It's a pleasure to rise today on Bill No. 65, The Crown Corporations Amendment Act, 2000. This Bill, Mr. Speaker, is a continuation of the trend being developed by this government of less accountability, less acceptance of responsibility, as we have seen in the last few days from one of the ministers of the Crown.

They want to participate in the operations of government, Mr. Speaker, but they do not want to be accountable. And this Bill is part of that move to withdraw them from accountability to the people of Saskatchewan.

They are eliminating, Mr. Speaker, the access to direct contact with the Crown corporations, Mr. Speaker. They are supposed to be putting in ministers of the Crown on the boards, Mr. Speaker, so that there is better control. However, that's not being done for the right reasons, Mr. Speaker.

Mr. Speaker, one of the other items that this Bill does is it allows the Crown corporations to get into more and various types of businesses without them having to come before the legislature or without them having to come before the Crown Corporations Committee. It allows the Crowns to expand into many other areas that have not traditionally been within that Crown's purview.

Mr. Speaker, as we have seen in the past, they spin off subsidiaries of subsidiaries so that they simply do not have to report back to the legislature. And that is exactly what happened with Channel Lake.

Channel Lake, Mr. Speaker, was a subsidiary of SaskPower. When it lost all the money, they tried to sell it right away so that they wouldn't have to provide a report, Mr. Speaker. Well it

was found out about, and the responsibility landed on the laps of the government. They simply would not accept that responsibility even though they were directly culpable for it, Mr. Speaker.

What they did is one of their people that they have put in power within the Crown corporations, Jack Messer, was made responsible for that but was given the golden handshake in leaving the corporation while two other long-time employees of SaskPower were forced to shoulder the blame for this government's incompetence, Mr. Speaker.

This is what this Bill continues to do, Mr. Speaker. And we have seen that kind of failure to accept responsibility and accountability in too many, too many of the Crown corporations, Mr. Speaker, where the NDP government have their fingers and their underlings placed.

We have seen the NST fiasco, Mr. Speaker, where they lost \$16 million on a failed cable company, Mr. Speaker, in Chicago.

We have seen the Channel Lake fiasco where they directly lost \$5 million — just poof, disappeared into thin air, Mr. Speaker. Well \$5 million doesn't just disappear; it ended up some place. We don't even know what the final losses were on Channel Lake because they're ongoing, Mr. Speaker; because they were engaged in contracts that they still had to honour, contracts that were losing money rapidly, Mr. Speaker.

We have seen the loss of \$13 million in SPUDCO, another one of the NDP's job creation programs, Mr. Speaker — \$13 million lost.

And when people ask, well where's all this government money going, they're collecting over \$6 billion a year — well there's a few of the examples, Mr. Speaker; a few of the examples where this government and its members think they are great business people. But whenever they get into business, Mr. Speaker, they fail.

They fail just as they're failing to take their responsibilities and, Mr. Speaker, accept their responsibilities when they're accountable. But the problem is, Mr. Speaker, that government is not a responsible government. That is an irresponsible government.

Mr. Speaker, there are a good many questions we have to ask on this particular Bill that can only be dealt with in Committee of the Whole. I'm prepared to let it move forward.

Motion agreed to, the Bill read a second time and referred to a Committee of the Whole at the next sitting.

#### Bill No. 49

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Sonntag that **Bill No. 49 — The Highways and Transportation Amendment Act, 2000** be now read a second time.

**Mr. Elhard:** — Thank you, Mr. Speaker. When the Minister of Highways introduced this Bill, he used the following words to describe it:

... The Highways and Transportation Amendment Act, 2000 ... contains the first set of substantive amendments to The Highways and Transportation Act, 1997 that was passed by this Assembly in 1997.

And listening to his comments, he indicated that the changes that had been brought forward were changes recommended by the department staff, the legal people associated with the Department of Highways, and were essential to the efficient running of the department; that some loopholes and some oversights which had been inadvertently left out of the original legislation would be addressed with this amendment.

(1430)

This Bill ensures, according to the minister, that the department is not held necessarily liable for injuries of users of highway rights of way, even if they are operating on the authority of a permit. Further, the minister went on to say, we will ensure to the best of our ability that users of the rights of the way are not placed in unsafe situations.

Mr. Speaker, I find that particular comment very unusual in light of what's happened here over the last several weeks. Safety appears to have become the common theme of the Minister of Highways and Transportation — at least as far as the topic of highway conditions in Saskatchewan has developed over the last several weeks.

We have heard many times of safety related issues that have been brought to our attention and to the attention of this House by people throughout the province who have suffered, frankly, rather serious and misfortunate incidents because of crumbling highways in Saskatchewan.

Mr. Speaker, safety like so many of our other maintenance experience is being given priority billing, but it's become a fact that it's a little too little too late. And I think that for many people who have suffered harm to their vehicles or personal injury, damage of various amounts, that the issue of safety has hit home literally not just figuratively. Safety is an important element of our confidence in the highway system and the people of Saskatchewan, Mr. Speaker, simply do not have that confidence any longer.

I'm talking about safety for the owners of vehicles who are driving down the highways at any time of the day or night who hit unmarked potholes, who hit depressions in the road, who hit areas where there has been heavy traffic and grooves have formed in the highway and loss of control ultimately results.

I'm talking about people who've had damage to their windshields, I'm talking about people who've had incidents as serious as rollover and, in some cases, death.

Safety is an important feature but it's coming too late for many people of this province already.

The issue of safety is absolutely critical to the transference of children especially on school buses on their way to and from their day at their local school. What about the safety of those children? How is that going to be addressed? Is it as crucial to this government as they would indicate?

I can say as a matter of fact that the people in the Climax area about 10 days ago indicated that they would no longer expose their children to the unsafe conditions of the road down there and chose instead to have their children bussed to school on dirt roads and grid roads of slightly better condition, rather than risk having their children transported to school over the highways.

And what about the safety of individuals who have sustained injury from flying pieces of pavement? What about the young lady from Hazlet who, just last week in this House we were informed, suffered eye damage because of flying glass when pavement hit her windshield although she was stopped at an intersection.

How much more serious would her injuries have been if she had been moving at that time? What about the many other cases of similar types of incidents that we have heard? I've read into the record, I've spoken on several occasions of those very types of things that have happened in this province.

Safety is an absolutely paramount consideration, but I feel the government of the day has done a very poor job in being able to speak to the safety issue. The record of this government in terms of safety on the highways is less than what we would hope for under any ordinary circumstance.

I think it's curious, Mr. Speaker, that the government doesn't want to be held liable for injuries to users of the highways, according to the comments made by the minister when he first introduced this amendment, but yet it says that safety is the highest priority.

It appears to me, Mr. Speaker, that avoiding responsibility is really the government's highest priority. And I think that this amendment . . . this particular Act amending The Highways and Transportation Act, 1997 speaks loudly of that attempt to avoid responsibility.

Secondly, Mr. Speaker, there is the issue of the awarding of contracts that is addressed in this particular amendment. In his comments to the House on the introduction of this Act, the Minister responsible for Highways said that:

There are circumstances in which a contract should not be awarded to the lowest bidder other than for reasons of expediency.

And this Bill, according to the minister, will change that and will authorize the minister to seek Lieutenant Governor in Council approval in such cases where it might be in the public interest.

Now, Mr. Speaker, ordinarily I can understand the need for awarding a contract to someone other than the lowest bidder. There will be times without a doubt that the lowest bidder may not be the most cost-effective bidder. There may be circumstances where the minister would be aware that the lowest bid is not going to be able to . . . the lowest bidder is not going to be able to meet the contractual obligations that that individual has bid on.

I find absolutely no solace in obtaining the Lieutenant Governor in Council approval on the basis of, quote, "public interest."

Mr. Speaker, behind closed doors the definition of public interest may be significantly different than what is normally considered public interest in the public domain. And so, Mr. Speaker, I would advocate strongly, as we look at this piece of legislation, that a proper definition of public interest be included in the amendments, a definition that is understandable and generally recognized to be complete.

Also, Mr. Speaker, there is the issue of the transportation partnership fund. This is a fund that is addressed in The Highways and Transportation Amendment Act, 2000, and it seems to me, having read the Act and the explanation that accompanies the Act, that this transportation fund is very wide open. It's quite wide-ranging, and I think it's open-ended to a point where there needs to be some serious discussion as to what parameters this fund is meant to address.

I have found that there are at least six areas in which funding or monies can be entered into the fund and, many more than that, areas where money can be taken from the fund. And I guess the question I have here is who really is in charge of this fund? Is it the Minister of Highways and Transportation or, ultimately, is it the Minister of Finance? I think these are some of the issues that need to be addressed as we look more closely at this legislation.

Mr. Speaker, it's no secret that highways and transportation have become a flashpoint of public concern. It's no secret that people experience on a daily basis the trauma of driving many of our roads. It's no secret that we have an ever building public awareness of the failing state of our highways provincially.

It's no secret, frankly, that our highways are a mess. They're crumbling, they're decaying, and while the members opposite have sat idly by for the last nine years doing absolutely nothing about them, we have seen all of the problems suddenly skyrocket. It's as though all the chickens have come home to roost at the same time.

It's not going to take a scientist much time — or a rocket scientist, I guess, much time — to figure out that when you go for a drive in our province there's more potholes in our highways than there have been in the NDP platform over the last nine years. This government needs to ultimately take responsibility for the conditions of our roads. Tinkering with this Act will address some of the minor problems, but the real problems are out on the highways and byways of rural Saskatchewan and areas outside of the main urban areas.

Mr. Speaker, I think that we would be happy to work with the government in finding solutions if just once we could hear them accept some responsibility for the chaos that exists in this area. And over the last nine years that has not yet happened.

The possibility of reverting roads to gravel as a matter of safety is unacceptable. What we're finding is that the people of rural Saskatchewan — especially having deemed those highways the ultimate lifeline, the single one most important item left to them right now in terms of servicing their communities — have decided that allowing the roads to go back to gravel is completely unacceptable.

On my drive into the city today from my constituency, I heard

one individual say, or express his frustration this way: the government has pushed us to the final end. It's time for us to start pushing back.

And I think that that kind of attitude indicates very clearly the frustration and the level of disdain the people of especially rural Saskatchewan hold for this government, because this government has for nine years held the people of rural Saskatchewan and their roads — as essential as they are — in complete contempt.

And I believe that that issue has done more to undermine the credibility of this government than anything else among the people of rural Saskatchewan.

Mr. Speaker, there are several other aspects of this piece of legislation that I think we would like to address, but I do believe that in fairness much more could be accomplished by dealing with this Bill within Committee of the Whole, and so I move that we adjourn debate.

**The Speaker:** — I'd like to clarify with the member — is it an adjournment of debate or move to committee?

**Mr. Elhard:** — I'm sorry, Mr. Speaker. I meant to adjourn to committee.

Motion agreed to, the Bill read a second time and referred to a Committee of the Whole at the next sitting.

#### Bill No. 52

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Belanger that **Bill No. 52 — The Wildlife Amendment Act, 2000/Loi de 2000 modifiant la Loi sur la faune** be now read the second time.

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. A number of our members have already had an opportunity to speak to Bill No. 52. A lot of the concerns that we had around it, I think, were very well expressed at that time.

We still do, however, have a number of questions that we would like to pursue. These are questions as a result of our consultations with stakeholders and individuals and agencies that will be impacted by this Bill.

But at this point, Mr. Speaker, we feel that those questions can be appropriately responded to in Committee of the Whole. So I would therefore refer Bill No. 52 to Committee of the Whole. Thank you.

Motion agreed to, the Bill read a second time and referred to a Committee of the Whole at the next sitting.

#### Bill No. 60

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Belanger that **Bill No. 60 — The Forest Resources Management Amendment Act, 2000** be now read a second time.

**Mr. Allchurch:** — Thank you, Mr. Speaker. Mr. Speaker, I

have the pleasure today to speak to Bill No. 60, The Forest Resources Management Amendment Act, 2000.

The protection of our forest is an extremely important issue. Our forests are one of the most prestigious natural resources we have in Saskatchewan. If harvested to extreme, it takes many years to regenerate.

While there can be no denying that the commitment to forestry is in place, these amendments, as we read them, give us cause for concern. These amendments will give the government more control over our forest licences. It's the control part that we have a problem with, Mr. Speaker.

Certainly there have been some measures to . . . in place that will act as a monitor in this industry. We can't just . . . we can't have just anyone coming here to harvest our forest products. However, these amendments speak to the issue that people are tired of hearing, and frankly, do not encourage business or growth. Government control is the main concern of this Bill, which seeks to allow more of that.

At the same time, Mr. Speaker, the public and the business sector have had enough government control in their lives and they have become increasingly suspicious of this government's intentions. A recent story in a local paper indicates a level of mistrust people have for this government, and they question their alternative motives.

People want to be listened to. They deserve to be listened to. Government has a responsibility to do this. They are here to act on behalf of the people they represent.

Increasingly enough, Mr. Speaker, this saying says that SERM (Saskatchewan Environment and Resource Management) officials need more time and that public meetings are just the first step in what looks to be a very long process. The timeline that was mentioned was three or four years. For small business owners and the people that will be using this forestland in the areas that three or four years is just way too long.

(1445)

Many businesses are encouraged about the government's power to arbitrarily designate large tracts of land as protected. As one Calgary spokesman says, and I quote, "Is Saskatchewan open for business or not?"

This Bill also has amendments regarding wild rice crops. Apparently, there have been problems with wild rice producers not paying their fees — fees that this government contends were kept low to encourage production. If there is one thing we don't know, it's the government's love for fees and fee hikes as witnessed in the last budget.

Why aren't the members opposite asking themselves why wild rice producers haven't been paying fees. Perhaps those fees aren't as low as they may think they are. Perhaps wild rice producers aren't able to pull in as much revenue as they think and have had to let their fees and licences lapse.

Also, don't we have a judicial process in place that would address this issue? Instead of looking at those options, this

government decides it's going to confiscate someone's wild rice crop and then dispose of it as they see fit.

Overall, Mr. Speaker, this Bill increases government control in a number of areas and that's the issue that we must take exception to. While we remain fully committed to the protection of this precious resource, we must also not lose sight of the fact that this Bill also indicates a serious lack of respect for businessmen and stakeholders.

More consultation and review needs to be done which can be done at Committee of the Whole. And therefore, Mr. Speaker, I move it on to Committee of the Whole.

Motion agreed to, the Bill read a second time and referred to a Committee of the Whole at the next sitting.

### Bill No. 63

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Axworthy that **Bill No. 63 — The Legal Aid Amendment Act, 2000** be now read a second time.

**Mr. Wall:** — Thank you, Mr. Speaker. It's a pleasure to rise in the Assembly today to speak to Bill 63, An Act to amend The Legal Aid Act.

A number of my colleagues have spoken to the Bill. Mr. Speaker, I will keep my remarks brief as we have some specific questions on this Bill in committee, except to say that, I guess, the introduction of a Bill on legal aid and changes to the legal aid system is certainly timely in our province.

It's a topical piece of legislation. There are a number of people both within and without the legal community in our province that are talking about legal aid in our province.

There are some specific issues that people have raised with me in the course of discussing this. Not the least of which are the current legal aid tariff, Mr. Speaker, and the seemingly arbitrary decision by various judges to spend money on behalf of the people of Saskatchewan in terms of adjusting the tariff.

And I think all members will agree — regardless of where they come from with respect to this Bill — I think all members will agree that it is, and should be, the exclusive purview of this venerable institution to expend taxpayers' dollars.

And in effect, when we have judges arbitrarily changing the legal aid tariff, they in fact are without the accountability that is due here. They are making . . . they are expending taxpayers' dollars.

And so that's one general concern. Other general concerns arise from the overall budget for legal aid. And while that may not be directly related to the Bill, we still would like to address questions in that regard as well.

And so with that, with those remarks, Mr. Speaker, I can indicate that we'll be allowing this Bill to move to Committee of the Whole.

Motion agreed to, the Bill read a second time and referred to a

Committee of the Whole at the next sitting.

### Bill No. 59

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Crofford that **Bill No. 59 — The Construction Industry Labour Relations Amendment Act, 2000** be now read a second time.

**Mr. Wall:** — Thank you, Mr. Speaker. Mr. Speaker, I would like to be able to tell you and through you to my colleagues that it is a pleasure to stand and enter this debate on Bill 59.

But I can't say that, Mr. Speaker. I can't make that claim because I, along with Saskatchewan small-business men and women, along with my colleagues here, with employers, and with the majority of construction workers in the province, would rather that this Bill never touched the Table of this Assembly, Mr. Speaker.

We would have rather that this government did not . . . would not have the gall to bring it into this Assembly.

Mr. Speaker, if you would have told the people of this province that this government, or any government for that matter, could possibly dream up and conceive of something more odious, more destructive, and more anti-small-business than the NDP's Crown Construction Tendering Agreement to replace it, no one would have believed you, Mr. Speaker.

But sadly we have underestimated this government's ability to innovate and this government's ability to create in terms of coming up with hurtful, unfair, paternalistic, and needless policies that harm our economic future and kill jobs, Mr. Speaker. Unfortunately, the rules under which construction companies have been operating for the last 20 years — by this legislation if it's rammed through by the members opposite — will now be arbitrarily changed overnight by a government that's bent on pleasing the union leadership of this province.

There is a talk show host in Saskatchewan, Mr. Speaker, Mr. John Gormley, who recently characterized this attempt to mollify union bosses as a wounded animal going home to die, Mr. Speaker.

That's a graphic depiction, but if this government continues to introduce this kind of legislation, if this government continues to attack the men and women that are creating jobs and creating wealth in this province through Bills like this, then there will be a political death, Mr. Speaker. And it will be an obituary that will read of those members opposite, Mr. Speaker. They will pay a political price for that kind of legislation, that is to be sure.

Mr. Speaker, one thing that both those who oppose this Bill and those who support this Bill agree on, is that it is significant legislation. Mr. Speaker, I think it's also fair to say that the introduction of any legislation by a government, but especially that of a significant nature, should be intended to address some major problem or fill some legislative gap. If not, Mr. Speaker, then the Bill is significant for all the wrong reasons. And so I think it's time to look at that.

What major problem in the construction industry, in the construction labour relations field, has precipitated this Bill? Has the industry been plagued by strikes? What about lockouts, have employers been locking out their staff? Have there been an inordinate number of unfair labour practices in this industry, or grievances, or bitter certification battles? The answer to all of those questions is no, Mr. Speaker.

So why then, why then is the Bill significant? Well, as I said, it is significant for all the wrong reasons. Consider what will be wrought by the NDP in this legislation. Consider the employees of currently non-union companies on whose behalf their non-union employers will now be forced to deduct union dues. Consider those employees who are laid off, as is often the case in a seasonal industry, who then must join a union to be rehired.

And the member for Regina South seems to indicate that he believes that when these employees are forced to join a union, they're going to get a pay raise. What he ignores, Mr. Speaker, are simply the facts. And the facts are that in this province the non-unionized construction industry is often paying wages that are higher than union workers are getting in this province, Mr. Speaker.

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

**Mr. Wall:** — Mr. Speaker, consider the employees who will be laid off, as is often the case in this seasonal industry, who then must rejoin a union to be hired. Mr. Speaker, that is forced unionization.

And all of the press releases, and all of the spin doctors, and all of the sanctimony by the Minister of Labour cannot change that fact. If it walks like a duck, and talks like a duck, it's a duck, Mr. Speaker.

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

**Mr. Wall:** — It is a big, ugly, anti-business, job-killing duck — that's what we're dealing with here. And, Mr. Speaker . . . and Mr. Speaker, consider the sub-trades, the thousands of men and women either employed or creating jobs in this sector of our economy.

Unionized agreements in this province have sub-contracting restrictions which make it illegal for unionized companies to hire non-unionized firms. Companies caught by this Bill, Mr. Speaker, will be forced to abide by the terms of these agreements stretching out the long and the destructive arm of this particular Bill even to mom and pop operations, small business men and women across this province.

How are any of these provisions good for the province of Saskatchewan? Will they improve fairness? Will they improve labour harmony? Will they create jobs, Mr. Speaker? The answer is an absolute and unequivocal no to all of those questions.

Will this Bill help the businesses in my community, Mr. Speaker? Will it help them create even a single job or to retain the jobs they have? This Bill cannot possibly help Frontier Construction of Swift Current. It's of no use to Bridal Construction or Riverside Electric or Melhoff Electric.

McElheran Construction will find no earthly good in this Bill; neither will Swift Painting or Payless Painting in the city of Swift Current and in the surrounding area, Mr. Speaker.

And, Mr. Speaker, one of the companies that employs up to 19 people in Swift Current, Dominion Construction is even reconsidering whether it wants to stay in a province that would force unionization and implement legislation so harmful to the industry. That's what Dominion Construction has said. They have an office in Swift Current that employs 19 people.

And if you question at all whether I and members on this side of the House care about those 19 jobs, you need not question it because we do and that's why we're going to oppose and fight against this legislation every step of the way.

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

**Mr. Wall:** — So if it is not needed, Mr. Speaker, because of the labour peace that has existed in the industry, and if it is of no help to either the construction employers in our province or the construction workers, who then benefits? Who will be helped by the Bill?

Well I would imagine, Mr. Speaker, that NDP fundraisers will be helped by this Bill. I would imagine that the quid pro quo for this odious legislation is the ongoing financial support of the province's union leadership for the members opposite, for the Government of Saskatchewan, Mr. Speaker.

And that is the kind of politics that people lined up September 16 in the province of Saskatchewan to reject. That's the kind of politics members on this side of the House object to. We will continue to fight against that kind of politics, Mr. Speaker, that buys favour from a government.

Mr. Speaker, if my time as an economic developer in this province taught me anything at all, it is that the number one priority, the number one priority for a new business considering a location in the province of Saskatchewan, or for an existing business considering expansion, is the business environment. That's what businesses told me when I was an economic developer, that they were looking for. They were looking for a positive business environment. One of the most important considerations in assessing business environment is the labour environment, the labour legislation in the province.

Mr. Speaker, in time after time I have dealt with businessmen and women who simply could not abide the labour environment in the province of Saskatchewan under this NDP government.

This Bill and all of the attendant issues and red tape and regulations that have been foisted onto business community by this government, be it through Workers' Comp or occupational health and safety or various pieces of labour legislation, too often has driven businesses and the jobs they create and the taxes they pay out of the province of Saskatchewan.

What we need in this province, Mr. Speaker, is to foster a positive business environment, one that encourages entrepreneurs, that encourages men and women to stay here, to build here, to create jobs here, and yes, to pay taxes here that will fund education, health care, and highways, and a

responsible social safety net for our province.

We need a government that is more concerned about union members than they are about union leaders, Mr. Speaker. We need legislation that assumes the best of those who create jobs. We need a government that assumes the best of the business sector of our province. Legislation that is not grounded in the assumption and expectation that these people have some sort of agenda against the working men and women of the province.

We need a government that has a vision that sees past where its political donations are coming from. We need a cabinet and a government, Mr. Speaker, that does not believe that the private sector is inherently evil. Because it most assuredly, it most assuredly is not. The private sector in our province is the very backbone of our economy. Small-business men and women, and I include farmers when I mention that category, are the one and the only reason that we can afford anything that we treasure in this province.

Without them, like those in the construction industry, there would be no jobs for Saskatchewan families, no taxes paid to fund our schools, no taxes paid to fund our health care system, or to pay our nurses, or our teachers, or our social workers. They represent the core funding that builds our schools and our hospitals and our highways, Mr. Speaker.

And I honestly wonder if the members opposite understand that when they draft and present legislation like this.

(1500)

Do they understand that that's where all of it comes from. It doesn't come from government; it doesn't appear out of the sky. It comes from the business sector. From small-business men and women in this province who need the kind of an environment . . . who need the kind of an environment that fosters and encourages development. That doesn't have them sitting at their desks and examining their options, and deciding if this is the place they even want to be, Mr. Speaker.

Mr. Speaker, I could tell you — I could tell you with surety — I could tell you with surety that members on this side of the House, we understand the importance of a vibrant and healthy small-business sector in Saskatchewan. We understand the importance of a business environment that is conducive for all businesses in the province, be they union or non-union.

And we understand the importance of a government that will stand firm against those who would have it introduce legislation that is clearly intended to favour the very few number of businesses in the province, Mr. Speaker.

It is a solemn and a serious duty that we have to represent those job and wealth creators. To consider the impact of each and every measure that's brought forward by this government against those measures.

Now, Mr. Speaker, this Bill is fundamentally flawed. It's flawed on every level. And today we heard from the member for Redberry Lake of the latest missive from the Saskatchewan Alliance for Economic Growth who have some very serious concerns about this piece of legislation.

Now the government may seek to minimize this criticism that they had from the alliance. They may write it off as one or two groups in the province who oppose this legislation. And that is why, Mr. Speaker, I think it's worth reading a list of those who have endorsed the position of the Saskatchewan Alliance for Economic Growth, who are simply asking to meet with the Premier. Who are only asking to meet with the Premier and talk about the Bill and possibly delay it until that consultation can happen.

Mr. Speaker, members of the Saskatchewan Alliance for Economic Growth and the Canadian Federation of Independent Business, the North Saskatoon Business Association, the Prairie Implements Manufacturers Association, the Regina Chamber of Commerce, the Saskatchewan Chamber of Commerce, the Saskatchewan Construction Association, the Saskatoon and District Chamber of Commerce, the Lloydminster Chamber of Commerce, the Estevan Chamber of Commerce, the Moose Jaw Construction Association, Prince Albert Construction Association, Regina Construction Association, Saskatoon Construction Association, the road builders, the Lloydminster Construction Association, the electrical contractors, general contractors, the Mechanical Contractors Association, the Merit Contractors Association, the Saskatchewan Masonry Institute, the Saskatchewan drywall and acoustical association, Saskatchewan steel fabricators and erectors, Saskatchewan Construction Labour Relations Council, Saskatchewan professional painting contractors, the Meadow Lake Tribal Council, and the Canadian Restaurant and Foodservices Association.

I can only imagine how many employees, how many families, how many small businessmen and women in our province are represented by the list of people I just read.

And what are they asking for, Mr. Speaker? All that they ask is that this Premier and that minister would meet with them — just to meet with them to discuss their concerns and see if the Bill can be delayed until that could happen.

We asked the question today in question period and the answer was no. We don't have time for the thousands of families that are represented by those associations. We don't have 30 minutes, we don't have 30 minutes in our busy day to meet with the business community of this province that are concerned about this Bill.

Well, Mr. Speaker, soon — and very soon — the Saskatchewan people, the Saskatchewan voters aren't going to have any time for this government.

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

**Mr. Wall:** — And it's going to start on the June 26 down in Wood River. They're going to send a message loud and clear that they don't have five minutes for your kind of arrogance. They won't have five minutes for your sanctimony. And they won't have five minutes for your misguided legislation like Bill No. 59, Madam Minister.

Mr. Speaker, this Bill is flawed on so many levels. It lets down our construction workers. It lets down our construction employers in this province. And it lets down taxpayers as a



whole as it risks still a greater exodus of well-paying and meaningful jobs in our province.

Mr. Speaker, I and my colleagues cannot and will not support this Bill. We are not prepared to let construction workers down. We're not prepared to let construction employers down.

Mr. Speaker, you can summarize Bill 59 thusly — it is wrong for working people, it is wrong for their employers, and it is wrong for Saskatchewan, Mr. Speaker, and we won't be supporting it today.

And so, Mr. Speaker, I would move, seconded by the member for Lloydminster:

That the motion be amended by deleting all of the words after the word "that" and substituting the following therefore:

Bill 59, The Construction Industry Labour Relations Amendment Act be now read a second time, but that it be read a second time this day six months hence.

I so move.

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

**Mr. Wakefield:** — Thank you, Mr. Deputy Speaker. I wanted to highlight a couple of things to this Assembly as seconder of this motion. I think it's very important that there be a delay in the discussion and the voting of this particular Bill.

I'm really concerned about the consequence of this particular Bill because in the Lloydminster area, as you could see was listed under the part of the Saskatchewan Alliance for Economic Growth, one of my constituents has a real serious problem in that he in fact has gone through a very, very contentious union certification.

This particular employer, with a union staff, is now no longer eligible or no longer competitive to bid on any of the projects in the oil industry and particularly the upgrader. The result of that, that particular certification means that that employer is no longer a constituent of mine. He's no longer in business. He's moved his business across the border just because of the fact that those employees that were certified now made him non-competitive.

**The Deputy Speaker:** — Order. Why is the Government Deputy Whip on his feet?

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

Leave granted.

#### INTRODUCTION OF GUESTS

**Mr. Yates:** — Mr. Speaker, I'd like to take this opportunity to introduce to you and through you to the other members of the Assembly, three union leaders who happen to have walked in, in a rather opportune time to hear the opposition try to kill a very progressive labour Bill, Mr. Speaker.

I'd like to introduce Bob Bymoan, who is the Chair of the

Public Service bargaining unit here in Saskatchewan, and two other members of their negotiating committee, Cory Hendriks and Joanne Hubick. And, Mr. Speaker, I'd like to introduce them to all the members of the Assembly.

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

**The Deputy Speaker:** — I would like to remind all hon. members, but particularly the hon. member for Regina Dewdney, in this instance, in introduction of guests, we are not to involve guests in the galleries in any debate that is on the floor.

And I ask all hon. members to honour this in the future.

#### ADJOURNED DEBATES

#### SECOND READINGS

#### **Bill No. 59 — The Construction Industry Labour Relations Amendment Act, 2000 (continued)**

**Mr. Wakefield:** — Thank you, Mr. Deputy Speaker. This example that I just alluded to earlier, Mr. Deputy Speaker, was . . . fit right into something that I found very interesting. When I was in my constituency this weekend, I noticed a bumper sticker that was on a vehicle, an Alberta licensed vehicle that was in the construction trade. His bumper sticker read Construction — Alberta's largest employer.

I wish that we'd had the opportunity to be able to have this particular bumper sticker here in Saskatchewan. In fact, Alberta's biggest employer is probably the biggest employer of Saskatchewan people that have crossed that border.

So, Mr. Deputy Speaker, in fact it gives me great pleasure to speak as a seconder to this motion.

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

**Mr. Allchurch:** — Thank you, Mr. Deputy Speaker. It is a highly unusual, at least it has been for the last few years, to move a so-called, six-month hoist motion. In fact up until a little while ago I didn't even know what a hoist motion was.

But, Mr. Deputy Speaker, I do know one thing. That this government, the government across here, has taken a step, and that we on this side as official opposition are going to try and stop this. The government over there is trying to hoist up the construction industry and hang them out to dry.

However the opposition party feels strongly that this is simple, very bad legislation and has not been the subject of consultation with the construction industry which it will have a huge impact upon.

Mr. Deputy Speaker, we have been asking the minister for months now why this is going ahead, for what reason. And she has been giving us many, many wrong answers. If the answers we've gotten in this Assembly are any indication of the type of discussion she has had with the construction industry, I can see how they feel there has not been proper consultation.

We want to offer positive, forward-thinking solutions that are practical, realistic, and respectable for all Saskatchewan people. Such policies are critical to the creation of an environment conducive to economic growth, investment opportunities, and jobs. And this was noted by Marilyn Braun of the CFIB (Canadian Federation of Independent Business), the Chair of the alliance.

If the answers we got in this Assembly are any indication of the type of discussions she has in the construction industry, I can see how they feel there has not been proper consultation. The minister has said she's had hundreds of meetings with the industry over this Bill. This is not true, Mr. Speaker.

Contrary to the minister, recent comments about meetings held with interested parties, the government has not broadly consulted with the vital issue. She has also rejected any invitation from the alliance to debate the pending changes to their effects.

Meanwhile the government is pushing forward final approval of this provincial legislation . . . Legislative Assembly for changes to stand to leave thousands of construction workers with less say in their own futures. I wonder how many of the meetings she has with the construction association over the CCTA (Crown Construction Tendering Agreement), and how many did she take in that will force unionization Bill?

(1515)

First we had forced amalgamation, and now we're looking at forced unionization.

The minister stands in this House and spouts half-truths designated not to answer questions about . . . which is only to confuse the public who don't have the intimate knowledge of this piece of legislation.

Mr. Deputy Speaker, everyone in the construction industry, including workers, are saying this change in law will be highly destructive. This is a good reason why we need to delay this six months to let this industry time to prepare.

The minister has said this will affect only the three large construction companies in the province. This is pointlessly false. Subcontractors will be subject to the same provincial-wide agreements. Most construction companies in this province will feel the effects.

The minister says this is necessary to bring forth a fair wage policy; yet the numbers suggests wages in union and non-union and union shops are very competitive. For an apprentice, the pay is much better for non-union employees in the construction industry.

This minister also says this legislation will bring forth in line the same as in every other province. Again, Mr. Deputy Speaker, this is false.

The minister needs to instruct her staff to review the opposed legislation in Ontario, currently legislation in New Brunswick and Alberta, and the construction . . . collective agreement in Manitoba, where they will find completely different provisions.

Most progressive provinces that are rapidly developing have modern labour legislation that fosters a business-friendly environment. These amendments are a throwback to the old days of confrontation. As a province we simply can't afford that. And this comes from Kent Smith-Windsor at the Saskatoon Chamber of Commerce.

As far as the reverse onus costs, whereby employees must prove they do not have spinoffs instead of the other way around, no other province has this. Ontario is studying changes as we speak. In Alberta, spinoff provisions do not apply to the construction industry. And New Brunswick has no spinoff or common employer legislation.

Clearly, Mr. Deputy Speaker, this Bill does not bring in line with every other province that this minister says it does. The minister says these changes now are imperative to bring about labour harmony in the construction association. This is an industry that hasn't had a major strike in two decades, and the CLR (Construction Labour Relations Organization) itself says this legislation will be highly disruptive.

Mr. Deputy Speaker, too many people in this province are absolutely convinced this Bill is a very bad Bill; it is a very bad move. The government cannot ignore that if they are truly interested in the good of this province.

However, if they are only interested in a political payoff for their big union contributors, they will move ahead . . . (inaudible interjection) . . . I think so. Because is too much is asked to delay this . . . is it too much to ask to delay this for six months to allow for greater consultation?

In Saskatchewan, Mr. Deputy Speaker, the Saskatchewan Alliance for Economic Growth members urge the Premier to remove this legislation from the government's agenda and deal with the Minister of Labour, who seems hesitant to bring about the facts forward.

Simply put, Mr. Deputy Speaker, The CILRA (Construction Industry Labour Relations Amendment Act) is anti-business and anti-democratic. Pushing this legislation forward clearly sends a clear message to the rest of Saskatchewan — Saskatchewan is not open for business. Thank you.

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

**Hon. Ms. Crofford:** — Thank you, Mr. Speaker. I want to speak to the amendment regarding the hoist. I just want to provide a little bit of history because I know I'm kind of an old gal here and I might have a little longer memory than some of the folks here.

But I want to say, Mr. Speaker, this does go back to 1982 when some contractors in the industry here wanted to be able to bid lower and because of having to pay union wages, the only way they could make their contracts cheaper was to de-unionize their workplaces.

And it wasn't because the contractor was prepared to take a lower profit. All of these savings by de-unionization came on the backs of their workers — their workers' ability to purchase a home, to purchase a car, to send their kids to school, to have

some level of job security, to participate in apprenticeship programs leading towards journeyman status.

And so when this happened in 1982 — and I guess we could do some research into donations at that time — but certainly it was true that the whole purpose of the changes made during Grant Devine's time, who I'm sure many of the members opposite have supported and in fact participated in that government, the fact of the matter is, is that this action taken by the Devine government regarding this Bill that we're discussing . . .

**The Deputy Speaker:** — Order. Why is the Opposition House Leader on his feet?

**Mr. D'Autremont:** — Point of order, Mr. Speaker. The comments have to be based on the amendment. The minister has already spoke to the Bill. She's talking about ancient history that took place 20 years ago, not the amendment.

**The Deputy Speaker:** — To the point of order, I recognize the Deputy Premier.

**Hon. Mr. Lingenfelter:** — Mr. Speaker, I was listening carefully to the member speaking about the amendment and I couldn't be more clear in that what she was speaking to was exactly to the point. I'm not sure what the member opposite is referring to when he says she's not speaking to the Bill, but it's very, very clear to anyone, to anyone who is listening, that the amendment is being dealt with clearly in this case.

**The Deputy Speaker:** — I thank the Hon. Opposition House Leader for raising the point of order and I thank the Deputy Premier for speaking to the point of order.

The Chair could have headed this off, that is I could have headed this off by announcing more clearly that the amendment and the Bill are debated concurrently, with the amendment. And indeed in speaking to the amendment it is a normal course of events to be speaking to the Bill as amended.

Therefore I do not find the hon. member's point of order well taken.

**Hon. Ms. Crofford:** — Mr. Speaker, I'll try to clarify for the House how this is related. What I'm speaking to is the length of time that this discussion has been going on and the lack of validity of another six months of discussing it.

So in fact as we progressed through the '80s, and basically assisted by the legislation of the government of that time, it undermined the ability of people to be unionized and certainly aided the ability for contractors to bid non-union on their contracts.

Now when we came around to 1991, certainly this problem had really undermined the apprenticeship trades in this province and in fact had resulted in many journey people and other skilled tradespeople having to be brought from outside the province because it had such a dramatic effect on undermining the development of the apprenticeable trades in the province.

In 1992 we did take an action to amend this Act, hoping that in time the provisions of that Act would clean up some of this

problem and we could get back to some kind of a normal labour relations environment in this province.

And the fact of the matter is, because during the interim period between indicating that that legislation would be passed and the Bill, the fact of the matter is that hundreds of spinoffs were created which thereby had the effect of undermining the intent of the Bill.

So at this point, after over a hundred meetings and I would say about 17 years of discussion on this topic, and a clear indication to the parties during the discussion that if they did not reach consensus that we would have to proceed to make the decision ourselves. And the fact of the matter, Mr. Speaker, in this whole debate, I have not heard anything from the members opposite or those they claim to represent that would suggest a solution to this problem other than just doing what they want.

Well, Mr. Speaker, the absence of compromise has been the problem throughout this discussion. And I would just like to say in closing that another six months is not likely to solve this problem.

So I speak against the amendment.

The division bells rang from 3:26 p.m. until 3:36 p.m.

Motion negated on the following recorded division.

#### Yeas — 22

Hermanson	Elhard	Julé
Krawetz	Draude	Boyd
Gantefoer	Toth	Peters
Eagles	Wall	Bakken
Bjornerud	D'Autremont	McMorris
Weekes	Brkich	Harpauer
Wakefield	Hart	Allchurch
Kwiatkowski		

#### Nays— 30

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

**Mr. Bjornerud:** — Thank you, Mr. Speaker. Mr. Speaker, as you've heard this afternoon from the member from Swift Current, the member from Lloydminster, the member for Shellbrook-Spiritwood, and everybody that we've checked with in this province doesn't like this legislation, Mr. Speaker.

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

**Mr. Bjornerud:** — We have businesses in our own constituencies; we have businesses in constituencies all over

this province, including urban and rural, because this is an urban-rural issue; there's no separation. No one likes this proposed legislation and that government should have done the right thing and hoisted it for six months and then gone on to pull it forever and never bring it back to see the light of day.

The minister over there has said on a number of occasions, Mr. Speaker, that this legislation resembles other jurisdictions. When we checked other jurisdictions, Mr. Speaker, we can find nowhere in this country that resembles the legislation that that minister is proposing. Other jurisdictions don't want this kind of legislation either.

Mr. Speaker, we will have many more times, I would hope, to speak on this Bill, but at this point I would like to adjourn debate.

Debate adjourned.

## COMMITTEE OF FINANCE

### General Revenue Fund

#### Finance — Servicing the Public Debt — Government Share Vote 12

**The Chair:** — I would like to invite the Minister of Finance to introduce his officials.

**Hon. Mr. Cline:** — Thank you, Mr. Chair. To my left is Mr. Dennis Polowyk, who is the assistant deputy minister of the treasury and debt management division; and to his left is Mr. Terry Paton, who is the Provincial Comptroller. And behind Mr. Polowyk, is Ms. Margaret Johannsson, who is the executive director of cash and debt management. Behind me is Mr. Glen Veikle who is the assistant deputy minister of the treasury board branch. And to the right of Mr. Veikle is Mr. David Pratt who is the senior analyst with the taxation and intergovernmental affairs division of the Department of Finance.

**The Chair:** — Thank you very much, Mr. Minister.

#### Subvote (FD01)

**Mr. Wakefield:** — Thank you, Mr. Chair. Mr. Minister, welcome to your officials. I have a few questions that I would like to get to maybe just for clarification more than anything, Mr. Minister.

When I was looking through the *Estimates* book that was published earlier and I noticed that this was a particular vote unto itself, on page 63, vote 12, my first question was, and I'm sure I'm going to be asked that too, has this always been a separate vote, and why in particular is it a separate vote?

**Hon. Mr. Cline:** — The answer, Mr. Chair, is yes, this has always been a separate vote. The reason is it is prescribed by law under The Financial Administration Act, 1993 that interest on the public debt should be a separate vote.

**Mr. Wakefield:** — Mr. Minister, if it's prescribed, I'm wondering then why we have to have a particular vote on it. But that's something for me to learn, I guess, as time goes on.

One of the questions that I looked at earlier when I was looking in the *Estimates* was on page 11, I noticed that under financing activities — and this is related to that — under financing activities, there is a section called borrowing and a section called debt repayment. And I noticed that the debt repayment of course has been increased quite significantly — my calculation is about 10 per cent and I think you've talked about that earlier.

My question is though, why the borrowing has increased so significantly as well. My calculation is again about 13 per cent increase in that borrowing.

(1545)

**Hon. Mr. Cline:** — Mr. Chair, the borrowing is going up, but it is not new borrowing. It is debt repayment.

In other words, it's sort of like if you had a mortgage on your house or your farm and say you had a five-year term on your mortgage, in the third year and the fourth year you wouldn't be borrowing any money to refinance that mortgage because it hadn't come due yet, but in the fifth year you would indicate on your own books that you were borrowing money if you were going to another lender, for example, to refinance.

And it just so happens that more of our debt is coming due this year than came due last year. And when that happens, the term of the loan that we have expires, we have to go out and refinance that in the marketplace. And that's what we're doing.

So we're doing a little more refinancing than we've done last year. But in fact, the debt of the province is not going up, we're just having some of it come due.

**Mr. Wakefield:** — Thanks, Mr. Minister. Mr. Chair, another question I would have is, this is mainly servicing the debt or the interest, I assume. Can you give me an idea of how much of this debt servicing in proportion or percentages or even numbers, is interest, and that which is being paid in principal, paying down this debt in this particular year?

**Hon. Mr. Cline:** — Yes, Mr. Chair, we are paying this year, in interest, approximately \$678 million. And we will be reducing the gross debt of the province by \$124.1 million.

So to put it another way . . . Well I suppose you can't put it any simpler than that. Interest charges will be about \$678 million. The total decrease in debt will be \$124.1 million as indicated on page 11 of the *Estimates*.

**Mr. Wakefield:** — Thank you, Mr. Minister. I'd like to follow that maybe with this question. Will any of this debt — servicing the public debt, government share — is that going to be coming from or has come from the sale of shares or equity in the Crown corporations or government equities in various investments? Anything of that nature?

**Hon. Mr. Cline:** — The answer is no, Mr. Chair.

**Mr. Wakefield:** — Mr. Chairman, Mr. Minister, I have another question, and it's . . . and I think it . . . Maybe I should ask: in the Fiscal Stabilization Fund, which is vote 71, is that going to be a separate vote through estimates?

**Hon. Mr. Cline:** — Mr. Chair, the answer is yes.

**Mr. Wakefield:** — Thank you, Mr. Minister. Some of the questions I have at that time, we'll discuss it then.

In terms of vote no. 12, I really have no further questions, Mr. Deputy Chair.

**The Deputy Chair:** — There being no further questions. I just want to be sure that no one else has a question, and I take it that they don't from looking about.

This is statutory, members of the committee, so it's not really a matter that we bring for a vote. It's a required payment. I think we can simply move on to the next item of consideration. So we basically have statutory approval of spending of \$677.400 million.

Vote 12 — Statutory.

**General Revenue Fund  
Centenary Capital Fund  
Vote 70**

**The Deputy Chair:** — I just want to again invite the Minister of Finance to introduce his officials.

**Hon. Mr. Cline:** — Thank you very much. Before I do that, Mr. Chair, I'd just like to thank the member opposite and the opposition for co-operating with respect to vote 12 that we've already completed. And also to thank the officials from the Department of Finance who assisted us with that.

And now I want to introduce to you, Mr. Glen Veikle, who was previously here but is now sitting beside me who's the assistant deputy minister of the treasury board branch. And behind him, we have Mr. Craig Dotson, who is the deputy minister of Education. Behind me, we have Mr. Larry Chaykowski, who's the executive director in Municipal Affairs, Culture and Housing.

Beside me to my right is Mr. Blaine Ganong, who is the manager of planning in the environmental protection branch of SERM. And behind him we have Mr. Bob Stenzil, who's the manager of facilities of the parks branch of SERM. And finally to the left of Mr. Dotson, we have Ms. Karen Lautsch, who is the executive assistant to the deputy minister of Post-Secondary Education and Skills Training.

And the reason I might explain we have representatives of so many departments — we have Finance, Post-Secondary Education, Education, Municipal Affairs, and Environment — is that the centenary fund is going to be administered with the co-operation of all of those departments because it covers different areas. Different parts of the centenary fund are spent in different areas, and hence we have some interdepartmental representation here, Mr. Chair.

**The Deputy Chair:** — Thank you very much, Mr. Minister.

**Subvote (CF01)**

**Mr. Wakefield:** — Thank you, Mr. Chair. Mr. Minister, I want

to welcome your officials that are here to discuss some of the items in this Centenary Capital Fund. I guess the first question I would have, Mr. Minister, and of your officials is, can you give me what you feel is the goals, the vision behind this particular fund.

Why do you think, in your opinion why was it needed? Why was it established? And is there goals that we can measure progress against in the application of this fund?

**Hon. Mr. Cline:** — Yes, Mr. Chair, the reason for the development of the fund was the realization that there are many infrastructure needs in the province as indeed the opposition has pointed out. We have needs in K to 12 education to rebuild and fix some of the schools. We have needs that in post-secondary education, at SIAST (Saskatchewan Institute of Applied Science and Technology) and with the universities.

And we have needs in highways, we need to clean up the environment in some cases. We have a great need for more social housing. We need to upgrade some of our parks and heritage properties. So part of the rationale for the fund, the creation of the fund, was to fix-up some of the public property in this province which I think both the opposition and the government would agree needs to be done.

Secondly, leading up to the 100th anniversary of Saskatchewan which is five years away, we thought it would be appropriate to have a program which would commemorate the 100th anniversary of the province in a meaningful and permanent way. And we thought there might be some projects that we could usefully do for the benefit of all the people of the province which they would value as things done in order to commemorate the 100th anniversary of our province.

And so that was the second goal. The first goal being meeting a need as I've described. And there's some others like municipal infrastructure and northern water and sewer that are very important.

The second was to commemorate the 100th anniversary of our province and do some planning to assist us to do that. And to leave a legacy for future people that they could look back and say, in Saskatchewan's centennial this is what they did; they did this project — maybe a new school, maybe sewer and water project in the North. In the same way that we look back at some of the centennial projects from 1967 when Canada had the centennial and so many useful, public facilities were improved upon or built.

So that was some of the thinking behind the fund.

**Mr. Wakefield:** — Thank you, Mr. Minister. Mr. Chair, another question then about the fund.

From my perusal of the expenditure, it's \$30,000 . . . \$30 million, excuse me, per year. And I think you, in your budget address, indicated that it would be over . . . projected over a four-year period.

If that is in fact the case and you wanted to direct it to certain of these projects — lots of which I agree need to be addressed in a fairly urgent manner — why would you not direct that kind of

dollars to the budgets of the different agencies and departments rather than trying to pick particular projects? And how, and if that's your choice of allocating, how do you allocate, how do you pick? What conditions do you put in place in order to have successful applications?

**Hon. Mr. Cline:** — We do wish to have a marriage, if you will, between the various departments and the goals of the fund, as the member indicates we should. And the reason why we've involved the officials from these various departments is just to do what the member is suggesting I think that we should do, and that is get the expertise of the officials in each department.

And I should say that in K to 12 education, there is pretty much an established way of prioritizing the spending needs. And so they are involved in allocating the additional \$5 million per year in education.

Then with respect to the universities, for example, and SIAST, we certainly will be involving the Department of Post-Secondary Education and Skills Training. In highways and roads, we'll be involving the Department of Highways to assist us in identifying the highest priorities. In Municipal Government, with respect to parks and heritage properties and social housing, the same thing.

And in each area, we're involving the officials that are involved in that area so that we have the benefit of their professional advice as to the very best way to spend that money. In other words, where's the need the greatest; where will it have the best social impact? And those are the projects, with their advice, that ultimately will be pursued.

**Mr. Wakefield:** — Thank you, Mr. Minister, Mr. Chair. From what I understand then, there is an amount of money, \$30 million this year, that will be allocated to the different co-operating or partnership departments. Are those proportions already established or is that written in stone? Do I have . . . and if I could I'd like to say, is the 30 million, is that set in stone? You're anticipating the same kind of thing again next year for 120 million over four years.

Is that in fact a commitment now that there will be four years of 30 million each?

**Hon. Mr. Cline:** — Yes, that's correct. There are \$30 million a year for four years for a total of 120 million. And then in each year, with respect to the \$30 million, we're allocating it equally — 5 million to each of six areas, being K to 12 school capital, firstly; secondly, universities, SIAST, and regional colleges; thirdly, municipal infrastructure; fourthly, heritage properties and parks; fifthly, transportation, highways, rural roads, and environmental cleanup; and sixth, social housing.

Now it's always possible, I suppose, that in light of experience or suggestions from the opposition or government members, by the time we get around to the next budget, we may find that there needs to be some revision or amendment to the plan. I don't anticipate that, but it's always possible.

But the plan as set out in the budget is as I've described, the 30 million a year for four years, and at this time the \$120 million commitment to various public properties — trying to fix them,

improve them, or in some cases create new ones.

(1600)

**Mr. Wakefield:** — Mr. Chair. Thank you, Mr. Minister. When will these funds be made available? When will the projects be determined? Has any decisions been made at this stage? Have applications been coming forward based on your announcement in the budget, or is that still to come? And what is the time frame that you would see, making sure that this 30 million is allocated in the most expedient way?

**Hon. Mr. Cline:** — I should say that, arising out of some of the things I've said already this afternoon, there is already a commitment of about \$10.5 million. And I'll explain that.

As it's been previously announced, \$5 million will be going into Northern Affairs. That was announced on the budget day, although the exact projects I don't have. But we know \$5 million is going to the North and an additional \$2.5 million to northern water and sewer. And in addition, \$3 million is committed for school capital already, because of the prioritization that they have in the Department of Education.

Of the remaining \$19.5 million, we anticipate that the departments will be working with various stakeholders that they deal with on an ongoing basis, and we're hopeful that we'll get suggestions from their stakeholders fairly soon. I think we've got some of those, that we'll have a chance for them to analyze them, and for an approval process that might take place say in the next six weeks or so.

And we would hope to have announcements within the next six weeks or so and to have the money going out so that the projects can get underway.

**Mr. Krawetz:** — Thank you very much, Mr. Chair. And to members that are with you, Mr. Minister, welcome.

I have a couple of questions to follow up on what my colleague has been asking regarding the centenary fund and its set-up.

Mr. Minister, I've received information that would indicate I think as you've indicated in the House today, that basically the two areas connected with education — the K to 12 and the post-secondary — are not going to be individually handled through Saskatchewan Municipal Affairs, they'll be handled by the K-12 education which the facilities department will handle that.

And my colleague asking the Minister of Education questions in estimate the other day, the minister indicated that the amount of money allocated for capital in education will rise from 24.1 to 29.1, which is the full 5 million and, therefore, no one else will be involved and the facilities department will handle that, okay.

Now, if that's true, Mr. Minister — and I guess the same thing is happening in post-secondary education with the other portion that's been allocated to that area — why didn't you just directly allocate this money to the facilities department, rather than create a bureaucracy now that's going to have to look at whether or not the actual spending of the centenary money was done correctly through both of those departments?

**Hon. Mr. Cline:** — I should say first of all, I want to correct myself in my last answer. When I said \$3 million was allocated to K-12, I should have said \$5 million, rather than three, and the member for Canora-Pelly has used the correct figure which is \$5 million.

I should say, first of all, we're not creating any new bureaucracy. I want to stress that. As I tried to say in my first answer to the first question, I think from the member from Lloydminster, we're having the officials from those departments that deal with these questions do the work. There's no new officials or new civil servants doing this; it's the same officials. So there is no new bureaucracy being created, point number one.

Point number two, the reason for the centenary fund is — as the name implies and as I've indicated — to have a program that enables Saskatchewan to do something to commemorate the 100th anniversary of our province.

And as government, we felt that it was appropriate for the people of Saskatchewan to set aside some extra funds to put into projects in order to commemorate the fact that Saskatchewan is going to have its 100th anniversary in the year 2005. And it seemed to us that this was one appropriate way to celebrate the 100th anniversary of our province. And that is the reason for the centenary fund, and that is why indeed, it's called the centenary fund. It's to celebrate the 100th anniversary of Saskatchewan.

**Mr. Krawetz:** — Thank you, Mr. Minister, for your comments on those two key areas and I think by your comments you're suggesting that those two key areas will basically be dealing with expenditures on an annual basis, and will be looking at the projects according to guidelines that have been in place for a number of years, and you're not looking at a sort of a four-year plan. And if that's true, Mr. Minister, then I don't need any further comment on that.

But I would like you now to move to the other four areas, which the indication is of course, that the Saskatchewan Municipal Affairs, Culture and Housing authority will be handling those other four key areas. Is that correct?

**Hon. Mr. Cline:** — In the other areas, Municipal Affairs will be playing a coordinating role but they'll be seeking advice from the other areas of government that may be impacted.

**Mr. Krawetz:** — Thank you, Mr. Minister. If that is correct and then could you tell us what is the timeline that has been put in place?

I have, Mr. Minister, some information that indicates by way of faxes that many different communities in all of Saskatchewan were informed on or about May 30 that the deadline for application was May 31 to submit projects to Saskatchewan Municipal, Housing and Culture. Now that doesn't give communities a lot of time.

Is indeed that the timeline, that you expected all applications and projects to be put forward by May 31?

**Hon. Mr. Cline:** — Yes, I'm advised that indeed the

Department of Municipal Affairs, Culture and Housing did send a letter to SUMA (Saskatchewan Urban Municipalities Association) and SARM (Saskatchewan Association of Rural Municipalities), at the least, dated May 29 saying that they would like to . . . Well specifically it says:

Project submission time frames are very short, I'm told, because they want to get on with capital projects as soon as they can. And proposals are being accepted until late May.

But I'm advised in fact that that's not completely accurate in the sense that because of the fact the letter didn't go out until May 29 many of the proposals came back after May 29, and indeed have been given consideration by the Department of Municipal Affairs.

So I don't think that was a firm deadline at all. Some leeway was certainly granted, and it was recognized that people couldn't necessarily reply within the space of a few days. And so the department has tried to work with those organizations to give them a reasonable amount of time to work with the department in terms of the projects.

But having said that I should say that, as the member will know, the reality is that most of the municipalities, because of the provincial municipal infrastructure program that is in place, are in a position where they can in fact identify their needs in a fairly timely way.

And indeed SUMA and SARM are involved with the provincial-municipal infrastructure program. And so it's not unreasonable to expect that when more money becomes available, and in this case, 5 million, you can see that instead of having 10 million from the province and then matching funds from the municipalities, in effect, you're up to 15 million.

And because there's a process in place, it was in fact more reasonable to expect that SUMA and SARM could in effect see the infrastructure program simply as being a bigger program that could do more in identifying some of the projects that have been on the drawing board for some time; because we actually started the process of asking them to identify infrastructure projects in the spring of 1999, over a year ago, when we introduced the municipal infrastructure program in the 1999 budget.

So I understand, Mr. Chair, the question being asked by the member, which is, well, how can you expect anybody to reply in a few days? The answer is that the individuals concerned for the most part have actually been working on the list of projects for probably 15 months. And the officials of SUMA and SARM, as well as the municipal government, are so confident in fact that given a few days they're able to compile a list of worthwhile projects.

**Mr. Krawetz:** — Thank you, Mr. Minister. Mr. Minister, your comments have led me to another question that I have to ask, because when you start to look at a budget that you delivered here in the House on March 27 and a letter comes out on May 29, there seems to be a gap of two months. And now you're asking the members of SUMA and SARM to respond in two days time.

And I appreciate your comments that municipal . . . the authority has looked at applications that have been received after May 29. But I have heard from a number of community groups that say, we just didn't have enough time to put together a project.

And I know you've mentioned SUMA and SARM, Mr. Minister, but your project identifies social housing issues, it identifies parks, it identifies heritage facilities — there are a number of things that you are looking at in your six areas.

How would those individuals have heard if they didn't have contact with SUMA and SARM?

**Hon. Mr. Cline:** — Well I think, Mr. Chair, that the member's point is well-taken; that it would be certainly in order to provide people with an opportunity to reply in a timely way. And I'll just say that I agree with the member and I think in the future we have to try to ensure that very timely notice goes out.

But I would just reiterate — not to argue with the point the member's making — but I'd reiterate that in fact the process that has been ongoing has compiled a list of things that need to be done, and we won't do all of the things that need to be done. But there has been a lot of work trying to identify the more important or most urgent things that need to be done. And that has meant that the Department of Municipal Affairs is in the process in fact of trying to compile a list of projects that may have been talked about for some time.

And I appreciate the member's comment that not everybody would get their proposal for a project in, in that amount of time. But I'd also make the point that not all projects that could be sent into government could be funded in any event. We have to prioritize, and some work has been going on for some time.

But having said that, I think the member would like to say, well, try to do a better job in the future in terms of giving notification. And I'll just say I'll take that to heart certainly and we'll try to do a better job next time. And I'm very hopeful that the member won't next year have to ask me the same kind of question because we will have done this in a more timely fashion.

(1615)

**Mr. Krawetz:** — And I appreciate those comments very much, Mr. Minister. And, Mr. Minister, then that leads me to the question about a one year and a subsequent three more years of this plan.

From the projects that Municipal Affairs has already received, would you have an idea how much money has been applied for, for this year? And I guess we're looking at probably less than \$20 million because in those four areas, you've indicated that amounts of monies will be designated specifically for northern issues and you're pulling out a certain portion of that.

Could you indicate how many projects . . . or the amount of money that is being requested for a one-year expenditure being this fiscal year? Or how many projects are actually applying for the full four-year funding?

**Hon. Mr. Cline:** — I'm advised that for the current fiscal year we've had proposals for approximately \$6.6 million of the \$5 million available. And over the four-year period, it would be approximately \$21.5 million of proposals over the four year . . . for the amount of money available over the four years in the area of municipal infrastructure. In that area, yes.

**Mr. Krawetz:** — Thank you, Mr. Minister. I was wondering if your number of 6.5 was meaning. Okay. So in other words, you've received a larger amount of requests than what is available and you're going to look at that.

The other projects, which are also through Saskatchewan Municipal Affairs — and they'll be looking at those guidelines — I'm sure that they're receiving the project applications, Mr. Minister.

And Mr. Minister, I have two projects in my hand and I'm wondering about the detail and the kind of project that you're looking for, Mr. Minister. And very specifically, a couple of groups have requested through combined projects where there is joint proposals being made through Municipal Affairs, through municipalities, through Economic Development, a corporation involved, through a resort community, through all those kind of things, they put together a couple of projects.

One is dealing with actual construction . . . not construction but the surfacing of a portion of road near the resort community of Leslie Beach along Fishing Lake. They have had discussions with the Minister of Highways and the indication there of course, from the Highways department, is they're not prepared to take that under Highways because it's not a highway at the moment.

So they've looked at it from many points of view. They've looked at it from an Economic Development point of view. There's a golf course, a resort community. A large amount of tourism comes into that area.

They've looked at it from a safety factor because this is a newly constructed road that has a tremendous amount of dust on it when it doesn't rain, Mr. Minister.

And the other part that they're looking at of course is that when you look at municipal infrastructure and the need to develop one arm of government, Highways has said no, we don't want to have any part of that.

Is that the kind of project that you're looking at as far as being a project that would be eligible for funding for maybe not only just a one-year term, but over a period of four years?

**Hon. Mr. Cline:** — Well, Mr. Chair, I don't think I can get into saying very much about specific applications for funding in the sense that those have to be duly considered in the process and then the announcements made in due course.

But to answer the question this way, I would say, that certainly any suggestion that is made by communities should be considered and will be given due consideration.

And I think the member said that there might have been some co-operation with respect to several parties going into a project.



I think that would be something that would be a point in favour of a project. I think that whether the project has sort of a provincial nature to it would be something that would be looked at. There are other factors that would be looked at.

I think, for example, you'd want to look at the aspect of fiscal infrastructure, whether the fiscal infrastructure of the province as a whole was going to be improved. Look at questions of employment. How much employment was going to be provided; environmental and cultural aspects. Whether there was a cost sharing opportunity for municipal governments or from the federal government that might allow us to stretch our dollars further, and so on.

I don't know if I can add anything to that, but certainly I can assure the member that the kind of project he's describing would be given all due consideration in the process.

**Mr. Krawetz:** — Thank you, Mr. Minister. And you're very, very correct. I was not looking at the specific comments on the specific project. It's a concept, though, that has been developed and people are questioning whether or not a concept that involves involvement of other municipalities, involving economic development and housing, etc., is going to be looked at more favourable.

The other question that's been asked of me, Mr. Minister, is from the parks, regional parks specifically. Regional parks have not been funded for a large number of years already as far as funding directly. And regional parks have phoned, a number of parks have phoned my office saying . . . requesting whether or not funding through the centenary fund may be available through a regional park for changing electrical wiring that has now become obsolete and needs that kind of improvement. And we're talking a capital fund that may be somewhere . . . or capital cost that may be somewhere between 75 and \$100,000.

Are those the kind of projects that might be able to be submitted, if not this year then next year, through some of the other four areas that you've mentioned?

**Hon. Mr. Cline:** — Yes. In fact, Mr. Chair, that's one of the things that I've been attempting to point out in the legislature and through the media to the Regional Parks Association, because there was some frustration expressed, as is well known and is a matter of public record, by the Regional Parks Association with respect to the fact that they were not granted sort of a direct grant, as they had requested, in the budget.

And I had taken some pains to point out to them that in fact there was a fund available for improvement of capital in the province, and that they, I've said consistently, the regional parks would in fact qualify to apply for funding. And that in a positive way I felt that the most appropriate approach for the regional parks to take, and the association in particular to take, would be to approach government with some ideas for how original parks capital infrastructure could be improved.

And we know that there are some needs in the regional parks, as the member has described. In fact, I've indicated publicly one of my thoughts when we were developing the centenary fund was in fact how could we work with and help the Regional Parks Association. And that was one of the things that led me to

believe that it would be useful to have an infrastructure fund in the hope that we could work with the Regional Parks Association in a very positive and proactive way to see how we could improve some of the capital around the regional parks.

And so I agree with the member that this is an appropriate area to look at, and in fact, that's what we've been trying to do all along. And we look forward to having a positive and productive and proactive method of trying to get some capital and improvements into our parks in Saskatchewan. That's part of the objective. And we will certainly be looking at any proposals that the Regional Parks Association wishes to advance, and I know that they'll be advanced in a very positive way because we all have an interest in improving the parks in Saskatchewan.

**Mr. Krawetz:** — Thank you very much, Mr. Minister, for those comments. And I'm sure regional park authorities in the province appreciate those comments as well, because I think they will be very much be looking to what you've just said.

Mr. Minister, my final question. I want to back up just to one of the other questions I asked and I'm not sure if you clarified. I wanted to know what your officials think will be the allocations in year 2, year 3, and year 4 of this fund. Not only from municipal infrastructure, Mr. Minister, but from those four areas outside of the two education areas, what kinds of projects or what kinds of monies do you see allocated over the longer period of time?

And the follow-up to that, Mr. Minister, of course is will there still be room for further applications two years from now or three years from now? Or will that entire \$30 million be allocated in each of the four years and the entire a hundred and twenty million dollars has already been spent?

**Hon. Mr. Cline:** — We have not made any decisions yet with respect to the allocation of the funding. So it's not possible to answer the question in terms of dollars and cents. But I'll say to the member that in one of the member's questions, I think a couple of questions ago, he said, you know, could a project be sort of multi-year in nature. And the answer to that is, yes, a project could be multi-year in nature. That is it might take more than one year to build, or the cost of it might be such that you couldn't fund it in one year but you might fund it over two years or three or four.

So some of the projects that are approved will be multi-year in nature. They will be four-year projects. Some will be one-year projects. Some will be for two or three years. So the answer is some of the money will be allocated on a four-year basis, some of it will be allocated on a one-year basis, and we'll have a mix.

I can't give exact dollars and cents, but I suspect a good chunk of it probably will be a four-year commitment. But there will be a good chunk left to be reconsidered next year for one- or two- or three-year commitments.

**Mr. Wakefield:** — Thank you, Mr. Chairman. I was happy to hear that response, Mr. Minister, because I would hate to see anybody that was late in applying for this particular year be disqualified in year 2 or 3 or 4 as they get closer to the centennial year and have in fact identified something. So I think that's very important.

Mr. Chairman, I don't have any other questions and I don't believe my colleague does. I would like to thank the minister and thank the officials for being here and clarifying some of these points for us.

Subvote (CF01) agreed to.

Vote 70 agreed to.

**The Deputy Chair:** — Thank you very much, Mr. Minister; my thanks to your officials.

I'd like to invite the Minister of Finance to report progress.

**Hon. Mr. Cline:** — Okay, but before I do that, Mr. Chair, I'd like to thank members of the official opposition for their co-operation in moving this along and for their very good questions. And also I'd like to thank the representatives of the various departments that are here for their assistance.

And with that I move that we report progress with respect to this matter, Mr. Chair.

The committee reported progress.

(1630)

## COMMITTEE OF THE WHOLE

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

**The Chair:** — Before I call clause 1, I'll invite the Hon. Minister of Finance to introduce his officials.

**Hon. Mr. Cline:** — Thanks, Mr. Chair. With me, sitting to my left, is Mr. Len Rog who is the assistant deputy minister of the revenue division of the Department of Finance. And behind him is Mr. Doug Lambert who's the director of revenue programs of the revenue division of the Department of Finance. And behind me is Mr. Kelly Laurans who's the director of corporate taxes and incentives in the revenue division of the Department of Finance.

#### Clause 1

**Mr. Wakefield:** — Thank you, Mr. Chairman. Mr. Minister, if I could welcome your officials here, and I have a couple of questions that I would like to have clarified if I could.

The first one pertains to really the intent of this Act. When I read through the Act and the amendments, it doesn't look like there's going to be a great deal of difference in terms of the consumer. Can you give me a bit of a thumbnail sketch as to why these amendments are coming forward at this time?

**Hon. Mr. Cline:** — Yes, the member's correct, Mr. Chair, that the Act does not really have that much impact on the consumer in that it does not increase the fuel tax or anything like that. In fact in some cases there's, I think, a decrease of tax with respect to propane.

But the purpose of the Act could be described as housekeeping in nature. What it is doing is describing in the legislation the

way that the fuel tax is actually collected in practice. But the legislation has not been kept up to date in the sense that it doesn't reflect the practices that have come about for the collection of the tax. The Bill is housekeeping in nature in the sense that it says, you know, let's actually describe accurately how this tax is collected.

It attempts to streamline processes for government and industry to make the collection of the tax work more efficiently for everybody concerned. But it doesn't impose any new taxes on anyone.

And as I said, in one case, with respect to propane cylinders, it dispenses any tax with respect to cylinders that weigh 100 pounds or less. Although, I hasten to add, that with respect to propane purchased for farm use — because that's been raised in the legislature before — that is not taxable now and nor will it be taxable under this Act.

**Mr. Wakefield:** — Thank you, Mr. Minister. I guess my understanding, from what you've described earlier and your explanation now, was that to clarify the process or to make it clear that the tax . . . how the tax is applied at various stages of fuel as it's processed and through the distribution chain.

Was there some illegality that might have been associated the way the tax was designated or allocated before?

**Hon. Mr. Cline:** — No. There was no illegality surrounding the collection of the tax. In fact the legislation we have is the same legislation basically as other provinces have. But the Department of Justice did feel that the legislation should be updated and simplified somewhat, and that's the purpose of the Bill.

**Mr. Wakefield:** — Thank you, Mr. Minister, Mr. Chair. I assume there was consultation then with the industry itself, right from production through distribution of fuel.

**Hon. Mr. Cline:** — Yes. There was quite considerable consultation with the industry, Mr. Chair, and they are supportive of the legislation.

**Mr. Wakefield:** — Thanks, Mr. Minister, Mr. Chair. I think any time that we can get some efficiencies into the system that's certainly a positive thing.

You referred earlier to the propane as an example, and referred to farm use of propane for grain drying as tax exempt. Are you referring to zero rated or tax exempt meaning tax has to be paid and then a rebate applied or . . . And was there any consideration in the tax, The Fuel Tax Act, 2000, for eliminating the need for the collection of that tax and having to go through the whole exercise of rebating it?

**Hon. Mr. Cline:** — It should be delivered in bulk tax free when it's delivered as farm fuel or heating fuel.

**Mr. Wakefield:** — Thank you, Mr. Minister. I think just for clarification, it should be noted that farm fuel, the zero-rated tax on farm fuel really applies to gasoline. The diesel portion of the farm fuel didn't have tax on it even before the budget, if I'm correct.

Thinking now of the propane that you referred to earlier. Why was the decision made to exempt propane in the small quantities, the hundred pound cylinders and so on? Because there's lots of homes that are heated by propane. And I'm wondering why the exemption for the small quantities as opposed to larger quantities for heating of homes?

**Hon. Mr. Cline:** — The reason the change is being made is for simplicity. And I can explain it this way, that it used to be that the dealer was supposed to inquire as to the purpose for the propane. And some things were exempt from tax and some things were not.

But it was very difficult for the dealers to tell if I came with my tank, whether I was using it for a purpose that was taxable or a purpose that was not taxable, because how do they know. They have to make an inquiry. They have to take someone's word for it. And the administration was just kind of cumbersome and difficult and time consuming.

And it was much easier just to say, look, if you buy less than 100 pounds of propane, it's not taxable. If you more than 100 pounds of propane, sometimes it will be taxable and sometimes it won't be. If it's for the farm purpose or heating for example, it won't be. But when you get into the larger bulk volumes, then you can take the time to make the inquiry, and it's much more straightforward.

When I'm going to my local Co-op service station, as I do with my own propane tank, for them to have to make an inquiry what I'm going to use it for — is it for my barbecue, for cooking which wasn't taxable, or is it for some other purpose which may be taxable — was just a little bit administratively cumbersome. And it's just as simple to say, everything under 100 pounds, just don't tax it — the cylinder being 100 pounds or less. Everything over that, make the inquiry — exempt the farm use, exempt the heating use, and it's easier for all concerned to handle.

And certainly the industry I think is appreciative of greater simplicity in that regard.

**Mr. Wakefield:** — Thank you, Mr. Minister. Mr. Chairman, just one further question about the propane.

In my constituency in the heavy oil area, there's a lot of propane consumed in keeping the tanks warm for flowability of the oil. I guess I would suggest that it would be a lot, it would be a lot more astute for economic development to consider that kind of an exemption to try to increase the economic activity in the oil patch rather than to trying and exempt small propane tanks which is just an inconvenience mainly to urban dwellers. Is that a fact?

**Hon. Mr. Cline:** — If the propane is used for heating purposes, it is not taxable. If it's used to upgrade a stationary engine then it would be taxable.

**Mr. Wakefield:** — Okay, thank you, Mr. Minister, Mr. Chairman. I don't have any further questions.

Clause 1 agreed to.

Clauses 2 to 55 inclusive agreed to.

**Hon. Mr. Cline:** — Thank you, Mr. Chair. I'd like to thank the members of the opposition for their co-operation and also the officials for their assistance. And I move that we report the Bill without amendment.

The committee agreed to report the Bill.

### **Bill No. 44 — The Insurance Premiums Tax Amendment Act, 2000**

**The Chair:** — Mr. Minister, are you using the same officials?

**Hon. Mr. Cline:** — I have the assistance of the same officials, Mr. Chair.

**The Chair:** — And that is a wonderful thing.

#### **Clause 1**

**Mr. Wakefield:** — Thank you, Mr. Chairman, and Mr. Minister. If I could direct some questions regarding the insurance premium tax. This is a tax, if I understand correctly, that is put onto different forms of insurance not directly to the consumer this time, but more directed now to the company. Can you explain the rationale for that process rather than a consumption tax on the consumer?

**Hon. Mr. Cline:** — Yes I can. In fact it's a very good question because it brings to light the issue of what was suggested to us by the Vicq committee or the Personal Income Tax Review Committee that reported last year.

Specifically they recommended a consumption tax on the consumer with respect to insurance, and they recommended that we place \$40 million of tax on consumers of insurance. What this Bill does, as an alternative to that, is approximately \$13.7 million of tax onto the insurance companies.

In preparing the budget, we felt that it was more fair to have a tax of \$13.7 million on the insurance companies than a tax of \$40 million on the consumer. And I might say that both of those suggestions are part of the tax reform process.

We're cutting — I won't go into all the details because the member knows — we're cutting income taxes this year by approximately \$200 million by cutting the flat tax in half. And we're getting part of that revenue through expanded taxes elsewhere — not all of it, but part of it. And this is part of that effort to enable us to substantially reduce income taxes over the next three years.

(1645)

In answer to the question specifically, why go this way — the 13.7 million in tax rather than the 40 million — when you looked at a tax on the consumer and you looked at the insurance in Saskatchewan, approximately 70 per cent of the insurance sold in Saskatchewan is when we buy our licence plates, and another 10 per cent or so is package policies.

So really when you analyze the suggestion of the Vicq

committee to put the tax on the consumer, you're really putting another tax on driving a car, buying a licence plate, and insuring your vehicle.

And we felt that that was not the thing to do both in terms of respecting the interests of the driving public and in terms of economic development. That it would increase the cost of transportation in Saskatchewan, which we didn't want to do.

**Mr. Wakefield:** — Mr. Minister, is it not true that if you tax the company they are not going to absorb that in their bottom line; in fact, they pass it through to the consumer at one time or another.

Are you not just hiding the tax, rather than keeping it up front so that people can understand how much it does cost them in terms of a tax base?

**Hon. Mr. Cline:** — I think that there's some validity to what the member is saying, Mr. Chair, that any time you have a tax on business, ultimately that tax may be passed on to the consumer.

I would point out though that better to have a tax of \$13.7 million than a tax of \$40 million as was recommended. So if the alternative was to have a direct tax on the consumer, it would be three times as expensive for the consumer.

And I might point out, for example, that if you had a \$92,000 house, and you purchased a Home Pak from SGI (Saskatchewan Government Insurance), let's say, for \$367 with a \$500 deductible, an increase of 1 per cent would result in a tax of \$3.67 to the consumer.

Well \$3.67, you know, insurance for a year on a \$92,000 home versus the alternative suggested was a tax of 5 per cent, you know, on the full amount of your licence plates and package . . . or yes, package policy on your vehicle, which you can see would be 5 per cent on, let's say, a thousand dollars, is \$50. One per cent additional on a thousand dollars, to state the obvious, is \$10. But on a Home Pak as opposed to your licence plates, it's going to be more like \$3.67.

So in my view the consumer is much better off with what we're doing than the alternative, and that was the reason why we proceeded in that fashion.

**Mr. Wakefield:** — Thank you, Mr. Minister. I guess the question I would have is that although you say that you could have charged a tax to generate \$40 million, you only taxed . . . you only generate 13 million. Is that trying to tell the people that you're a good guy by only taxing them a little bit? Because in fact it is a tax increase. Isn't that correct?

**Hon. Mr. Cline:** — No, it's not an effort to tell anybody that I'm a good guy or anything of the sort.

Whatever we're doing in taxation, we're dealing with the taxpayers' money. And nobody ever likes any kind of new tax or additional tax. You know that, Mr. Chair . . . I should say the member knows that. I know that; we all know that. But nevertheless we have to find a way to pay for the education we all receive. I was educated at the taxpayers' expense from grades 1 to

12, and in large measure at university.

The health care system we want, the highways we want . . . and it's easy to say that none of us like changing taxes, raising taxes, or paying taxes in one sense. But the reality is we have to be mature adults and say that we need a certain amount of revenue to pay for education and health care and so on. And it has to be collected in a certain way.

We opted to do it this way — the \$13.7 million increase in insurance taxes rather than taxing licence plates and package policies. I believe that that was the appropriate choice to make for the reasons indicated. And that's what we're doing.

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

**Mr. Wakefield:** — Okay, thank you, Mr. Minister. But I also noticed that there's other tax increases as well going from three to four, except for I think hail insurance. But all the other taxes have in fact had a tax increase.

With that in mind, I guess I'm wondering why you went against the Vicq report that suggested that the PST really be at 5 per cent, and rather you've kept it at 6 and expanded the tax base.

**Hon. Mr. Cline:** — The reason was, Mr. Chair, that the Vicq report recommended that we tax children's clothing; I did not agree with that. They recommended that we tax home heating; I did not agree with that. They recommended that we tax licence plates; I did not agree with that. They recommended that we tax package policies on vehicles; I did not agree with that. They recommended that we tax home electricity; I did not agree with that.

I did not agree that we should charge people taxes on things that are more along the lines of basic necessities of life. Therefore I said no, we're not going to expand the tax to all those things even if it means lowering it to 5 per cent, because you're taxing people on children's clothing, home heating, home electricity, and those other things that I did not believe should be taxed.

And my colleagues in the coalition government also agreed those things should not be taxed. And that's why we made the decision that we did.

**Mr. Wakefield:** — Mr. Chairman, thank you, Mr. Minister. And I have no further questions. I would like to thank your officials that are here with you today.

Clause 1 agreed to.

Clauses 2 to 5 inclusive agreed to.

**The Chair:** — I recognize the minister to move that the committee report the Bill without amendment.

**Hon. Mr. Cline:** — Thank you, Mr. Chair. Before I do that, I'd like to thank the member from Lloydminster and the other members of the opposition for their co-operation, moving the Bill along to the next stage of the House. And I'd also like to thank the officials from the revenue division of the Department of Finance for their assistance.

And with that, I move that we report the Bill without amendment.

The committee agreed to report the Bill.

The Assembly recessed until 7 p.m.

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