

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I stand today in the Legislative Assembly of Saskatchewan to present a petition on behalf of citizens of Saskatchewan who are opposed to forced municipal amalgamation. And their prayer reads as follows, Mr. Speaker:

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

And the signatures on this petition, Mr. Speaker, are from the community of Watson.

I so present.

Ms. Draude: — Thank you, Mr. Speaker. I also have a petition today begging the government to retain Lanigan and Watrous hospitals.

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 people that have signed this petition are from Lanigan and Leroy, Mr. Speaker.

Mr. Gantfoer: — Thank you, Mr. Speaker. I too rise on behalf of citizens concerned about the future of their hospitals. The prayer reads as follows:

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

Signatures on this petition, Mr. Speaker, are from the communities of Allan and Young.

I so present.

Mr. Toth: — Thank you, Mr. Speaker, and to present a petition reading the prayer:

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.

Mr. Speaker, the petition I present is signed by the good folks from the community of Allan.

Ms. Eagles: — Thank you, Mr. Speaker. Mr. Speaker, I too stand on behalf of citizens deeply concerned about health care

and rightly so. The prayer reads:

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

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

And this is signed by folks from Allan and Elstow.

Thank you, Mr. Speaker.

Mr. Thomson: — Thank you, Mr. Speaker. I have a petition here today asking for a total smoking ban in public places. The petition reads:

Wherefore your petitioners humbly pray that the 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.

The petition is signed by people throughout the city of Regina and one person from the city of Moose Jaw.

And I so present.

Ms. Bakken: — Mr. Speaker, I rise today to present a petition on behalf of people in Saskatchewan who are concerned about the crisis in health care. 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 it is signed by residents of Watson, Foam Lake, Saskatoon, and Mozart.

I so present.

Mr. Addley: — Thank you, Mr. Speaker. I have a petition collected by the youth of Saskatchewan. And the prayer reads as follows:

Wherefore your petitioners humbly pray that the 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. Weekes: — Thank you, Mr. Speaker. I also rise 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.

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

From the citizens of Allan and Saskatoon. Thank you.

Mr. Wartman: — Thank you, Mr. Speaker. I have a petition from those who are wanting to have a total ban on smoking in all public places. It reads:

Wherefore your petitioners humbly pray that the 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.

This is signed by people from Regina, Moose Jaw, Lumsden, and Balgonie. Thank you.

Mr. Brkich: — Mr. Speaker, I have a petition here to save our hospitals.

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.

Signatures are from the good town of Allan.

I so present.

Ms. Harpauer: — Mr. Speaker, I too have a petition with citizens concerned about hospital closures 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 as is duty bound, your petitioners will ever pray.

The petitioners on this are from the good community of Young.

I so present.

Mr. Wiberg: — Thank you, Mr. Speaker. I have a petition this afternoon in regards to the disappointing highways in this province. And the prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to provide the necessary resources to restore the Paddockwood access road to an acceptable state.

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

Mr. Speaker, this petition is signed by the good people of Paddockwood.

I so present.

Mr. Hart: — Thank you, Mr. Speaker. I have a petition to present on behalf of citizens concerned with poor cellular service. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to provide reliable cellular telephone services in the districts of Strasbourg, Duval, Govan, and Bulyea.

And the signatures to the petition come from Govan, Strasbourg, and Regina.

I so present.

Mr. Allchurch: — Thank you, Mr. Speaker. Mr. Speaker, I rise in the Assembly today to bring forth a petition to retain Lanigan and Watrous hospitals.

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 signatures on this petition are from Semans, Humboldt, and Lanigan.

I so present.

Mr. Stewart: — Thank you, Mr. Speaker. I rise to present a petition signed by citizens concerned with possible hospital closures. 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 petition is signed by individuals from the communities of Allan and Colonsay.

I so present.

READING AND RECEIVING PETITIONS

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

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

The provision of cellular service in Lake Alma;

The passage of comprehensive tobacco control legislation;

Ensuring the Lanigan and Watrous hospitals remain open;

A ban on smoking in public places and workplaces; and

The restoration of the Paddockwood access road.

INTRODUCTION OF GUESTS

Mr. Wartman: — Thank you, Mr. Speaker. I would like to introduce to you and to the rest of this House, 26 students in the west gallery. They're grade 4 students from the Dr. Brass Elementary School in Yorkton.

And on behalf of their MLA (Member of the Legislative Assembly), Clay Serby, I would like to welcome them to this House — oh sorry, I'm not supposed to name him; strike that — on behalf of the member from Yorkton.

And I would like to especially welcome the teacher, Ms. Jan White, and chaperones Corinne Langley, Brenda Beisel, and Rhonda Ward.

I'd ask everybody to join in welcoming them.

Hon. Members: Hear, hear!

Ms. Bakken: — Thank you, Mr. Speaker. Mr. Speaker, it gives me great pleasure to introduce to you and to members of the Assembly two great young people who work at Starbucks in Regina. They are Rhett Bokitch and Theresa Holt and they are seated in your gallery, Mr. Speaker.

Every morning when I'm in Regina I go to Starbucks. Rhett and Theresa and their co-workers with their cheerful greetings, warm smiles, and upbeat moods make my day brighter. And they make me realize anew why I wanted to be an MLA and why the decisions we make in the legislature are so important. They make me realize that these decisions must be made to give hope and opportunity to people who live in Saskatchewan, to make it a better place for young people who will want to stay and work here and who will have a bright future.

I want you to know, Mr. Speaker, that most members of the Assembly also love Starbucks. Please help me to warmly welcome my special friends from Starbucks — Theresa and Rhett.

Hon. Members: Hear, hear!

Mr. Yates: — Thank you, Mr. Speaker. I'd like to take this opportunity to introduce to you and through you to the other members of the Assembly three members sitting in the west gallery — Mr. Gary Kot, Mr. Gunnar Passmore, and Mr. John Pederson — all members of the construction trades unions, Mr. Speaker, that are here to watch today's proceedings.

And I'd like you all to join me in welcoming them to the Assembly.

Hon. Members: Hear, hear!

Mr. Gantfoer: — Thank you, Mr. Speaker. Mr. Speaker, it's my privilege this afternoon to welcome 32 students from Melfort from the Burke School. They're here with their teachers Mrs. Atamanchuk, Mrs. Burningham, Mr. Skjerven, and Mr. Zary.

And they've had the opportunity to meet briefly this afternoon and are having a full day in Regina at the IMAX cinema, and as

well the museum this afternoon. It's not all that often we get people from Melfort here in Regina, and it's always a great pleasure to welcome them here.

I'd ask all members to join me in welcoming the students and teachers from Burke School.

Hon. Members: Hear, hear!

Hon. Mr. Goulet: — Mr. Speaker, at your gallery, we have three special guests from Manitoba. Mr. Speaker, they're from the Freshwater Fish Marketing Corporation. I would like to ask them to stand as I name them. Up there we have Bob Hand, who is the president and CEO (chief executive officer); Gerry Malone, vice-president of marketing; and Steven Kendall, the manager of resources development.

Mr. Speaker, and all members, fishing is an important part of our economy in this province. I would like you all to give them a special welcome.

Hon. Members: Hear, hear!

Hon. Mr. Belanger: — Thank you, Mr. Speaker. I would like to join my colleague from Cumberland, and to you and through you to introduce a couple other guests also with our guests from Manitoba.

And I'm sure glad the Minister of Justice is not here . . . Oh, he just arrived, maybe I'll have him close his ears. But the two people that are joining our visitors from Manitoba are Andrew Bouvier who's a board member of the Freshwater Fish Marketing Corporation. And Andrew drives quite fast. I rode with him one day from Saskatoon, back to Ile-a-la-Crosse and we made it in record time. That's one of the reasons why we asked the Minister of Justice not to pay much attention to this.

But the other guy was Jim Favel, who's also from Ile-a-la-Crosse, who's also on the board. And I served with both these gentlemen on the council. And while Andrew was fast on the highway, Jim was quite slow in long-distance running. Because being that he is an avid runner, I beat him quite handily in a long-distance run we had several years ago.

So we have the slow and the fast version of Ile-a-la-Crosse folks, and I want to ask you all to welcome these gentlemen to the Assembly today.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Swift Current Dialysis Satellite Unit Opens

Hon. Mr. Hagel: — Well thank you very much, Mr. Speaker. Today I have good news for southern Saskatchewan and good health care news for Saskatchewan residents, Mr. Speaker. The official opening of the Swift Current Dialysis Satellite Unit took place this morning.

This means that dialysis patients in southwest Saskatchewan will have life-saving treatment closer to home because of the new renal satellite program at the Swift Current Regional

Hospital. This dialysis satellite unit will enable patients to stay closer to home and closer to their family members while receiving treatment. And it will also take some of the pressure off the Saskatoon and Regina dialysis units.

Well, Mr. Speaker, this government knows that Saskatchewan's vast geography and sparsely populated areas call for a different approach to providing health care. And with the innovative thinking and creative initiative, we are meeting the challenge of providing health equally to all citizens of the province.

I want to congratulate the people of southwest Saskatchewan and their new program, Mr. Speaker . . . on their new program. And I also want to thank the Swift Current Health District and the Minister of Health and her department who were partners in the initiative. The minister attended the opening this morning and I understand it was a fantastic event.

Congratulations to all of those involved. This project is proof positive that this government is committed to delivering first-class health care to all the citizens of Saskatchewan. Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

Students Undertake History Research Project

Mr. Wiberg: — Thank you, Mr. Speaker. Mr. Speaker, this week I had the pleasure to attend an event in my constituency of Saskatchewan Rivers honouring our forebears.

The grade 6 students of Christopher Lake School, assisted by their teacher, Ms. Patty Herriot, and assistant teacher, Ms. Cindy Schultz, conducted a research project on the history of the Christopher Lake and Paddockwood districts.

Mr. Speaker, the students discovered an incredulous anomaly. These two districts through the course of three armed conflicts sent a disproportional amount of volunteers to represent Canada in comparison to other communities in our country.

In recognition of this demonstration of local commitment to the preservation of democracy these grade 6 students took it upon themselves to name three roads in the RMs (rural municipality) of Lakeland and Paddockwood: Memory Lane, Mr. Speaker, to honour all those who came to the area to create a new life for themselves and their children; Veterans Road to honour all those who nobly served overseas in the three conflicts; and Remembrance Road, Mr. Speaker, in honour of those who paid the supreme sacrifice.

Mr. Speaker, I would ask all members to join me in congratulating these students and their teachers for this memorable project. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

FarmGro Organic Foods Opens

Hon. Ms. Hamilton: — Thank you, Mr. Speaker. I've been studying the style of the member from Regina Dewdney and I think I've got it right. So here we go — more good news for the people of Saskatchewan, Mr. Speaker.

This morning just east of Regina, FarmGro Organic Foods, one of the finest plants in the world, officially began its production.

It is a \$12 million flour mill and grains processing plant. FarmGro's goal is to become the largest producer of organic wheat flours in North America, and we're confident it will succeed.

The market for organic food products has grown significantly in the past few years, and the trend shows no sign of letting up.

And, Mr. Speaker, this new project means jobs for Saskatchewan people. FarmGro will employ 18 to 25 new workers. Its initial milling capacity will be 16,000 tonnes to be sold nationally and internationally.

Mr. Speaker, this is good news in several ways. It will encourage diversity in our agricultural industry, it will develop more organic farming, and it will lead to private entrepreneurs labelling and selling retail organic food products.

It's a good deal, Mr. Speaker, which will make Saskatchewan a leader in the organic food processing industry.

I congratulate president, Gerry Liski, CIC (Crown Investments Corporation), the partners, Bob Balfour and Fred Soofi, and the many other private and public investors in FarmGro. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Condition of Historical Highway Sites

Mr. Hart: — Thank you, Mr. Speaker. Mr. Speaker, the people of this province are rapidly realizing that this government is either unwilling or unable to provide the services or perform the functions that their citizens expect of a government.

A case in point, Mr. Speaker, is the numerous points of interest along our highways that are overgrown by weeds and grass, becoming unsightly and uninteresting to passing motorists. Citizens of this you do it province are maintaining these sites themselves.

One such person is Mr. Ken Doucett of Lipton who is maintaining a historic site along Highway No. 35.

Mr. Doucett has cut the grass, planted trees, and built a picnic table in the last two years. In fact, Mr. Speaker, he has done so much grass cutting that he has worn out his lawn mower.

When Mr. Doucett contacted the Department of Highways and the Department of Municipal Affairs, Culture and Housing for assistance with this project, he was told that none was available — basically, you do it.

Mr. Speaker, this is just another example of this government's attitude — fix your own highways, maintain your own historic sites. What's next — provide your own policing, teach your own children?

Some Hon. Members: Hear, hear!

Oil and Gas Agreement Between the Universities of Regina and the Ukraine

Mr. Kowalsky: — The member from Regina Sherwood and I were pleased to be present at the University of Regina today to take part in a very important and exciting event.

A letter of intent has been signed today by our Minister of Energy and Mines and Dr. Pakrayko representing the Ivano-Frankivsk State Technical University of Oil and Gas of Ivano-Frankivsk Oblast in Ukraine.

The agreement will promote joint educational and research activities in the area of oil and gas technology and development.

Under the agreement, the two universities will develop an educational exchange project focused on the management and technical aspects of the energy sectors in both countries. This will include specialized study programs at the University of Regina for Ukrainian national government energy officials, faculty exchanges between the two universities, and study programs for senior students from the Ukrainian university.

The University of Regina has an impressive history of promoting international instruction, research, and service. Various program opportunities are offered with institutions all over the world including China, Japan, Thailand, France, England, Korea, Chile, Costa Rica, Mexico, Argentina, India, Australia, Ghana, and the United States.

And, Mr. Speaker, I look forward to hearing about the academic exchanges, and I'm confident that this project will benefit both Ukraine and Saskatchewan.

Some Hon. Members: Hear, hear!

Highways Leading to Greenwater Provincial Park

Ms. Draude: — Thank you, Mr. Speaker. I rise today to remind all members of the House about this government's dismal record when it comes to highways, and the impact this is having on tourism in Saskatchewan.

This urban-based government refuses to acknowledge that rural Saskatchewan needs help. This is also the same urban-based government that says tourism is an important part of this province's economy.

It's interesting to note that they're not getting the connection here. We have many provincial and regional parks in this province, all of them situated in the rural sector. Urban people are now just finding out how bad these roads are.

I received a copy of a letter from a gentleman who is extremely concerned about Highway 38, the main road leading into Greenwater Provincial Park. It's in such terrible condition that tourists are now avoiding it, which means the park itself is not being accessed.

Mr. Speaker, Greenwater Park is a beautiful spot. The problem is you can't get there. Not from the south on Highway No. 38, where after the last rain the road was impassable. Not on Highway 349, where there was construction — but prior to the

last election when the NDP (New Democratic Party) lost the seat, they stopped constructing it. And that's on the other end where junction . . . from the junction they redid the highway last year but No. 23 is now being reverted back to gravel because it's so terrible.

So, Mr. Speaker, the truth is you can't get there from here.

Mr. Speaker, these roads are what ties our communities together. They are the only means by which people can travel from one place to another, and they are also the only way in and out of the province.

The government has a responsibility for . . .

The Speaker: — Order. Your time has expired.

Second Annual Field Day at Western Beef Development Centre

Mr. Addley: — Thank you, Mr. Speaker. I'm pleased to inform you and members of the Legislative Assembly that the Western Beef Development Centre will hold its second annual field day for Saskatchewan producers at the Termuende Research Farm at Lanigan today.

Mr. Speaker, the Western Beef Development Centre at the U of S (University of Saskatchewan) is a success story in Saskatchewan's agricultural industry.

The Beef Development Centre was established in 1997 to conduct practical and applied research, and undertake demonstration work that would enhance the economic viability of Saskatchewan's beef industry.

The associated Termuende Research Farm at Lanigan was opened in 1998 as the research facility for the Beef Development Centre.

Producers and the public are welcome to drop into the farm at any time. There's a full-time manager working at the farm which has a year-round herd of 300 beef cows.

The research projects conducted by the Beef Development Centre provides production information to producers.

The projects include a series of forage demonstrations, a water quality study, economic studies, and a development of an information management system.

Mr. Speaker, the Beef Development Centre and the Termuende farm are important to Saskatchewan's agricultural industry. These research centres help diversify the agricultural industry and to keep Saskatchewan producers at the leading edge in the world marketplace.

Mr. Speaker, the first field day was held at the Termuende farm last year and it proved to be very successful. We are confident today's event will even more successful than last year. Thank you very much.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Role of Public Accounts Committee

Mr. Kwiatkowski: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Premier. Mr. Premier, this morning I was part of a meeting of the Public Accounts Committee of the legislature. That's the committee your government argued just two years ago was the best place to investigate the Channel Lake fiasco.

The NDP member for Saskatoon Southeast and the NDP member for Regina Coronation Park both said the Public Accounts Committee was the only place to investigate Channel Lake.

But this morning these same NDP members said that even attempting to ask these questions of the Provincial Auditor in the Public Accounts Committee amounts to McCarthyism — McCarthyism, Mr. Speaker.

Mr. Premier, do you share that view? Is it the NDP's position that asking the Provincial Auditor for his opinions on the misappropriation of \$360,000 in taxpayers' money is McCarthyism?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, precisely what we should be doing is seeking the report and recommendations of the Provincial Auditor, and that is precisely what the member opposite is trying to prevent.

There are rules of the Public Accounts Committee set forth by this House, Mr. Speaker. There's an order of reference and the order of reference says that the Public Accounts Committee is to give the Provincial Auditor the opportunity to make a report and recommendations and that report will then be considered by the committee.

What this member is doing, Mr. Speaker, is grandstanding in . . . because the Provincial Auditor has not issued his report on this matter. He has not had the opportunity to make recommendations and contrary to the rules of the committee that member is trying to prevent the Provincial Auditor and the Public Accounts Committee from doing the work that it is mandated to do by this House, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Kwiatkowski: — Mr. Speaker, another question for the Premier. Mr. Premier, it was the Provincial Auditor who made the judgment that the former CEO of SIGA (Saskatchewan Indian Gaming Authority) improperly retained \$360,000 in taxpayers' money. It was the NDP government that judged the whole SIGA file should be sent to the Department of Justice. It was the NDP Gaming minister who insisted that Mr. Dutch Lerat be fired as Chair and CEO of SIGA. It was the NDP Gaming minister who agreed to rescind the motion rescinding Mr. Lerat's salary increase.

We agree with these actions. But they are not our actions and they are not our judgments. This morning in Public Accounts, we were simply trying to get some clarification.

Mr. Premier, why did your NDP MLAs stonewall our attempts this morning to ask legitimate, appropriate, important questions of the Provincial Auditor?

Hon. Mr. Cline: — Mr. Speaker, it is the job of the Public Accounts Committee to make sure that the rules are followed and respected. And the Public Accounts Committee, of all committees, Mr. Speaker, should follow the rules itself. And that's what the government members of the committee are trying to do.

I would refer the member to the order of reference adopted by this legislature, Mr. Speaker . . .

The Speaker: — Order.

Hon. Mr. Cline: — Mr. Speaker, the order of reference adopted by this House for the Public Accounts Committee states that the Public Accounts Committee is to:

Review the Public Accounts of the Province of Saskatchewan (the public accounts, not a motion of the member) and the issues raised in the annual report of the Provincial Auditor which have been referred to the Committee.

The report of the Provincial Auditor has not come out yet, Mr. Speaker.

And my point would be this: that if these members cannot respect the rules of the Public Accounts Committee, Mr. Speaker, then it means that they have learned nothing from the 1980s when the Public Accounts Committee didn't even meet and when the rules were not respected. They have learned nothing from the 1980s, Mr. Speaker.

And I would say this: how can the people of the province trust a group of people who won't even respect the rules of the legislature in the Public Accounts Committee.

Some Hon. Members: Hear, hear!

Mr. Kwiatkowski: — Mr. Speaker, another question for the Premier.

Mr. Premier, the NDP member for Regina Coronation Park described our attempts to ask the Provincial Auditor legitimate questions about SIGA as McCarthyism. The NDP member from Saskatoon Southeast said we were on a witch hunt.

Mr. Premier, would you explain that? What is wrong with asking the auditor why he believes the former SIGA CEO was inappropriately retaining taxpayer dollars when he used SIGA credit cards and debit cards.

Is it McCarthyism or a witch hunt to ask the Provincial Auditor about his publicly stated concerns about the SIGA board motion to increase Mr. Lerat's salary by \$360,000.

Mr. Premier, these are timely and legitimate questions that are appropriate for the Public Accounts Committee.

Why is the NDP stonewalling the Public Accounts Committee

when you yourself promised a full and open investigation?

Hon. Mr. Cline: — Mr. Speaker, we will get the report of the Provincial Auditor. That's what we want to get. And we will give the Provincial Auditor the opportunity to make recommendations. That's what the rules require; that's what will be done.

The question here is, why does this member want the Public Accounts Committee to proceed without giving the Provincial Auditor the opportunity to complete his audit, make his report, and make his recommendations.

It is not this side of the House that's trying to prevent the Provincial Auditor from doing his job, Mr. Speaker, it is that member and that side of the House that are trying to prevent the Provincial Auditor from doing his job. And we're not going to permit that, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Kwiatkowski: — Thank you, Mr. Speaker. Another question for the Premier. This morning the Provincial Auditor participated in the meeting of the Public Accounts Committee. So the Saskatchewan Party attempted to seek further clarification from the Provincial Auditor on the information he provided in his June 14 letter. Why? Because the Public Accounts Committee is the only forum in which MLAs have the opportunity to ask the Provincial Auditor questions.

Mr. Premier, why did the NDP stonewall our attempts this morning to ask the Provincial Auditor legitimate questions about his — his — concerns about the misuse of \$360,000 of taxpayers' money?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, I say to the member again, the Public Accounts Committee will deal with the report of the Provincial Auditor, but the Public Accounts Committee will give the Provincial Auditor the opportunity to make a report and to make recommendations, Mr. Speaker.

We are not going to permit the members opposite to usurp the function of the Provincial Auditor. We're going to follow the rules as set out by this House. And when the rules . . .

The Speaker: — Order, order. Hon. members, please.

Hon. Mr. Cline: — Mr. Speaker, the reason why we got into trouble in the 1980s and racked up a \$15 billion debt is because there was no respect for the legislature; there was no respect for the Public Accounts Committee; there was no accountability; there was no compliance with the rules.

And, Mr. Speaker, we're in a new era now. We're in a new century. We're going to keep the books balanced because we're going to follow correct process and procedure, and we're going to respect the rules. And we're going to respect the Provincial Auditor, even over the objection of the member opposite, Mr. Speaker.

Some Hon. Members: Hear, hear!

First Nations Fund

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the minister responsible for the First Nations fund.

Mr. Minister, for three years FSIN (Federation of Saskatchewan Indian Nations) has refused to allow the Provincial Auditor to audit the First Nations fund. The First Nations fund has received over \$22 million over the past three years. That money comes exclusively from gambling revenue — from Casino Regina and from SIGA.

Mr. Minister, the First Nations fund is required by law — and I repeat — by law to open its books to the Provincial Auditor. Why are you allowing them to defy the law?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — I'd like to say to the member opposite, because this question has come to the floor of the Assembly on a number of occasions, from the member from Estevan and now from the member from Saltcoats, and I've said all along, Mr. Speaker, and I say again to the House today, that this account is audited on an annual basis by the firm of KPMG and they've been doing that, Mr. Speaker, for the past five years.

The KPMG has reported on an annual basis that the account is in fine standing and that there's not been any sort of anomalies within the account, and we continue to respect the work of the private auditor as it provides its work on the fund, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Well, Mr. Minister, the Provincial Auditor found the problems in SIGA. What we're asking him to have the same opportunity to look at the books of the other fund.

Mr. Speaker, I think the minister of municipal government needs to take a lesson from the minister of Gaming. In one week, the minister of Gaming forced FSIN and SIGA to comply with government directives. Yet for three years, you've done nothing. For three years you've sat by while the trustees of the First Nations fund openly defy the law.

Mr. Minister, when are you going to step in like the minister of Gaming did and force the trustees of the First Nations fund to comply with the law?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, I want to say to the member opposite that when he quotes the process, that what he should be doing is he should be quoting the process correctly. Because the process and what happened with the entities fund was clearly . . . or the SIGA fund was that it was found by KPMG. They're the people who found it, not the Provincial Auditor.

And I say to the member opposite that you should pay attention to that process because they're exactly the same auditing firm that do the auditing on the First Nations fund.

And I say to the member opposite that obviously the private audit system is working today because it found the anomalies within the . . . with the associated entities fund. And I say to the member opposite that they . . .

An Hon. Member: — SIGA. SIGA fund.

Hon. Mr. Serby: — Or within the SIGA fund. If there are some anomalies that would be in the First Nations fund, it would be found by KPMG.

I say to the member opposite that in fact this process is working and that we will continue to work with First Nations to try to enhance that relationship and . . .

The Speaker: — Order.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, in the spring 1999 report, the Provincial Auditor said he was concerned with several expenses in the First Nations fund's financial statement — distribution to the First Nations of 6.2 million; National Assembly travel subsidy of 138,000; and Saskatchewan Indian Gaming Commission, 131,000.

The auditor said that he is unable to report whether the fund's financial statements are reliable and whether the trustees had adequate rules and procedures to safeguard and control public money, or whether the fund lost any public money from fraud, default, or mistake of any person.

Mr. Minister, these are exactly the same issues the Provincial Auditor is now investigating with SIGA. Mr. Minister, in the light of recent events at SIGA, isn't it time you opened the books of the First Nations fund to the Provincial Auditor?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Well, Mr. Speaker, I want to say to the member opposite that I don't understand his attack on the auditing firm of KPMG. Now why is it that you're attacking the auditing firm of . . .

The Speaker: — Order, order, order. Please, hon. members. I cannot control the quality of the questions or the quality of the answers, but I ask for your co-operation in helping me to control that both the questions and answers be heard. The acoustics here are such that it does make it difficult, so please, I ask for your co-operation.

Hon. Mr. Serby: — Thank you very much, Mr. Speaker. I want to say to the member opposite that why is it that in fact the opposition is attacking the work of KPMG, because today KPMG do work across this country, in this province. They do work for private industry, they do work for various levels of government, they do work for all the health districts in this province, Mr. Speaker, and they do work in the . . . as it relates to the First Nations funds both for SIGA and First Nations.

And I say to the member opposite clearly the process is working. When it was identified that there was a problem with the SIGA fund, KPMG identified it, the minister acted very

quickly, and today the process is working its way through the system. And I say to the member opposite that we have respect for the work of KPMG.

I've said on previous other occasions that in fact I've met with Mr. Bellegarde. We're working in a process today to expand in the way in which that audit . . . that account will be audited into the future. And we . . .

The Speaker: — Order.

Mr. Bjornerud: — Thank you, Mr. Speaker. Well the minister says the Gaming minister acted quickly. That's exactly what we're asking you to do. Three years you've done nothing — now it's time to act, Mr. Minister.

Neither the Saskatchewan Party nor the Provincial Auditor is accusing the First Nations fund of any wrongdoing. What the auditor is saying is proper safeguards need to be in place in order to prevent a similar situation to the current problems at SIGA.

In his *1999 Spring Report* the auditor identified nearly six and a half million dollars of First Nations fund expenses that he is concerned about. And he says he has no way of knowing whether this money was spent properly because the trustees are not allowing him to look at the books.

Mr. Minister, those trustees are required to open the books to the Provincial Auditor. You are responsible for the First Nations fund. Why don't you step in, force them to obey the law — like the Gaming minister did?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, what I've done for the member opposite, and previously to the member from Estevan, when I talked about this particular issue — that in fact we have respect for the process today. And we know that the process has been working.

And it's just been identified in the last few days, Mr. Speaker, that the way in which the audit is performed today by KPMG, with that particular organization, is working.

And I say to the member opposite, why is it that you're attacking this particular fund again? Because it is clear, Mr. Speaker, that this particular organization, the auditing organization, has done a credible and honourable job in making sure that the accounting system in this province for First Nations people is well preserved and cared for.

And so I say to the member opposite, why is it that you're choosing this particular organization to draft your line of questioning along, when in fact this auditing firm does a tremendous amount of work for other organizations across the province? Why?

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Minister, I'd like to read you a quote from the Provincial Auditor's '99 report. I quote:

Neither the Legislative Assembly nor the Department has received any assurance from the appointed auditor whether the Trustees of the Fund had adequate rules and procedure to safeguard and control the Fund's assets and have complied with legislative authority.

He goes on to say:

As we have been denied access to the Fund's accounts and have been refused access (refused access) to KPMG's files . . .

The Speaker: — Order, order. Order. I just ask all members to please co-operate. Just to remind the member to kindly direct your question through the Chair. There's good reason under parliamentary rules. Hon. member for Saltcoats, proceed with your question.

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, I repeat the last part of the quote:

As we have been denied access to the fund's accounts and have been refused access to KPMG's files, we are unable to provide assurance to the Legislative Assembly and the department.

Mr. Minister, it's time to act — just like the Gaming minister did. Take some action. You're responsible.

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, I want to say to the member opposite that when I answered the same question to the member from Estevan about three or four weeks ago, or a month ago, I said that in fact I had had a discussion with Mr. Bellegarde.

And the discussion that I had with Mr. Bellegarde is that he is going to be pursuing, through his organization, expansion of the auditing process in the province as it relates to the First Nations fund; as well as he's going to be . . . we're going to be proceeding on a variety of other ways in terms of making the information solely accountable to the system — both to this organization, both to the Legislative Assembly, and both to the First Nations chiefs.

That's the process of which we're going to be following over the next little while, and Mr. Bellegarde has advised us that he will be working with us to provide that leadership into the future. That will be the direction that we take, Mr. Speaker.

Some Hon. Members: Hear, hear!

Saskatchewan Population Decrease

Mr. McMorris: — Thank you, Mr. Speaker. My question is to the Premier. Mr. Speaker, as you know the Premier has never been one to let facts stand in the way of a good argument and yesterday was no exception. The Premier called Saskatchewan the fastest growing province in Canada. The fastest growing province in Canada — what a joke.

Mr. Premier, StatsCanada has just released new population figures showing Saskatchewan is the fastest shrinking province

in Canada thanks to your NDP government. Over the past year Saskatchewan's population fell by 1,600 people. Mr. Premier, Saskatchewan isn't growing — we're losing people.

Mr. Premier, why is Saskatchewan losing so many people?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Thank you, Mr. Speaker. Mr. Speaker, first of all on facts, I would like to point out what his leader actually said yesterday. And I quote from *Hansard*. The facts according to your leader is, "The fact is that in the last 12 months, 16,000 people have left Saskatchewan . . ." confirming once again the fact that we have the Leader of the Opposition here and we have the facts over there, and rarely do the two collide.

Mr. Speaker, to put a few facts on the table. The facts that matter is July 1 is Statistics Canada Day in which the population for all of the provinces is assessed. And each and every year Saskatchewan has grown, and since 1991 we have grown by 25,000.

Some Hon. Members: Hear, hear!

Mr. McMorris: — Thank you, Mr. Speaker. I find it quite interesting that the minister would stand up and be so proud that we didn't lose 16,000 people, only 1,600 people. Good argument, Mr. Speaker.

Mr. Speaker, just as on Monday in Wood River, this NDP government . . .

The Speaker: — Order! Hon. members, this is your time.

Mr. McMorris: — Thank you, Mr. Speaker. This NDP government is dead last. Saskatchewan has lost 1,600 people in the last year, the largest population drop of any province in Canada. That's that NDP's record, Mr. Speaker.

Other provinces have gained population. Look at Manitoba. They gained 6,000 people last year, Mr. Speaker. In Alberta — the chosen land, they keep calling it — 11,000 people, Mr. Speaker. Meanwhile the NDP has lost 1,600 in our province.

Mr. Premier, when are you going to admit that high taxes, lousy highways, failing health care, and ridiculous labour laws are causing our population to drop?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Mr. Speaker, I rest my case. When you have the members opposite saying, so what's a decimal point here or there . . . (inaudible) . . . runs between a billion or 10 billion, you know that they have learned nothing since the 1980s. It's exactly that kind of thinking that got us into the mess that we inherited.

What I would say to the member opposite, I would say look at some of the facts that we do know for sure: 14,600 more people working in this province in May relative to . . . (inaudible) . . . That's a fact.

Twenty-five thousand increase in population since 1991, unlike in the '80s when people fled the province at about 20,000 a year. That's a fact.

Let's look at wholesale trade: an increase of 23 per cent, leading all of Canada. That's a fact.

Mr. Speaker, when it comes to the facts, look to this side of the House.

Some Hon. Members: Hear, hear!

Mr. McMorris: — The minister can make a joke about the decimal point but what she has to realize is, there is a negative in front of that 1,600 people. That's 1,600 people less, Mr. Speaker, thanks to the NDP and Liberal partnership.

Mr. Speaker, people like their NDP old buddy Ned Shillington — Ned had had enough of this province and he packed his bags and where'd he go? Calgary.

Sixteen hundred people, Mr. Premier. That's almost the entire town of Shaunavon disappearing out of this province every year, thanks to this NDP-Liberal coalition. Mr. Premier . . .

The Speaker: — Order, order. I'm sitting close to the member who's asking the question. I can hardly hear him. Members from both sides, please allow the question to be heard.

Mr. McMorris: — I'll try and raise my voice a little bit, Mr. Speaker.

To the Premier of the province: your record is dismal; you've lost 1,600 people; you've introduced ridiculous legislation such as the labour legislation.

When are you and your Liberal friends going to realize we're losing far too many people to support this province and what we need in this province? What are you doing to take steps to increase the population so it's a positive sign in front of 1,600 instead of a negative sign?

Some Hon. Members: Hear, hear!

Hon. Ms. MacKinnon: — Mr. Speaker, there are two themes that come from that side of the House. First of all they can't get their facts straight. Secondly, they feed on Alberta envy.

And I'll tell you, you know, the people of this province should be proud of the fact there are 14,600 more people working now than before — than a year ago.

The people of this province should be proud of the fact that we led all of Canada in wholesale trade. And the people of this province should be proud of the fact that we have the largest income tax cuts in the province's history to grow this province into the future.

They may envy Alberta, Mr. Speaker. On this side of the House we're proud of Saskatchewan.

Some Hon. Members: Hear, hear!

ORDERS OF THE DAY

GOVERNMENT ORDERS

COMMITTEE OF THE WHOLE

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

The Chair: — Before I call clause 1 I'll invite the hon. minister responsible to introduce his officials.

Hon. Mr. Serby: — Thank you, Mr. Chair. This afternoon I have with me Mr. Michael Littlewood seated to my left, is the executive director of school administration; to my right is Mr. Gordon Hubbard, who is the manager of advisory services with Municipal Affairs; directly behind me is Mr. John Wolfenberg, who is a special project person with Municipal Affairs; and behind Gordon is Gordon Zakreski, who is the industrial consultant with Municipal Affairs. Those are my officials, Mr. Chair.

Clause 1

Mr. McMorris: — Thank you, Mr. Chair. Welcome to the members from Municipal Affairs.

I don't have too many questions on this at all. I do want to take an opportunity though — in the last provincial election when we campaigned around this province on eliminating tax and eliminating personal income tax especially, but even we also talked about the elimination of business tax, we're certainly happy to see that you took some of our advice and followed along with a number of the ideas that we had presented in the last campaign. I think you'd have to admit that they were some of the better ideas, and I'm glad you're following along with them.

This Bill appears to be a consequential amendment made necessary by the decision to eliminate the business tax assessment.

And I guess it was discussed the other night in another Bill that we had talked about. Is that correct? Like it was pretty much discussed the other night on a municipal Act?

Hon. Mr. Serby: — Mr. Chair, to the member, that's correct. We had the discussion as well the other night when we were in the committee.

Mr. McMorris: — So, Mr. Chair, with that I think most of the . . . any problems or any questions that we had in that area have been answered. So I have no further questions.

Clause 1 agreed to.

Clauses 2 to 6 inclusive agreed to.

The committee agreed to report the Bill.

(1430)

**Bill No. 14 — The Film Employment Tax
Credit Amendment Act, 2000**

Clause 1

Mr. McMorris: — Thank you, Mr. Chair, to the minister. Again this Bill talking about tax credit, I guess for film employment. Again we are certainly in agreement any time we can start reducing taxes for people. And I think that's the whole point of this, is to grow and foster the film industry.

And it is really interesting that, you know, we'll see how this does, and hopefully the government will take up what has happened in the film industry, because we think it should be going in the right direction; then put it across the board so that, you know, there is a tax break for everybody and not just picking winners and losers such as the film industry.

Mr. Minister, can you briefly explain the changes that you are making, especially the changes in the residency requirement to receive a tax credit?

Hon. Mr. Serby: — Mr. Chair, to the member. The employees may declare themselves . . . and I just might read this because I think it would be best that way to be in the record. And it would read this way. The employees may declare themselves. The amendment of residency requirement is suggested to allow flexibility for applicants declaring employees in Saskatchewan residents . . . as Saskatchewan residents.

The employee may declare themselves a Saskatchewan resident the year before production according to the last tax return, and declare themselves a new Saskatchewan resident based on the next taxation year. This will allow applicants to declare most of their employees at the completion of the production of the balance if . . . and the balance of the employee's new residence at the conclusion of the tax year.

This change in definition is required to amend the residency recommendations.

Mr. McMorris: — Thank you, Mr. Chair, to the minister. How will the changes of residency requirements improve upon this tax credit system in terms of job creation for permanent Saskatchewan residents? How will it improve in the job creation?

Hon. Mr. Serby: — Mr. Chair, they don't have to wait until the end of tax year. They can declare themselves the year before.

Mr. McMorris: — Mr. Minister, could you give me some of the monetary details of this tax credit? What are we looking at as far as the dollars and cents?

Hon. Mr. Serby: — Mr. Chair, to the member. The estimated tax credit for 1998 was 4.9 million; the tax credit payout for '98 was 3.49 million.

For 1999, the estimated tax credit was 3.3. We can't provide you yet with the actual amount because the 32 productions, there's no final certifications yet have been . . . have not yet arrived.

And for 2000, we're projecting that the tax credits, the estimated tax credit will be about 886,000; but we don't have their nine initial applications, but the estimates are still out in terms of the other projects.

Mr. McMorris: — Mr. Minister, you're relaxing some of the auditing requirements under this Act. Can you tell me what changes there are and why?

Hon. Mr. Serby: — Well, Mr. Chair, the changes that are coming about is that a full audit is cost prohibitive for some of the smaller productions.

As you may know, in other provinces the film tax production development agencies use a three-tiered system where productions under 20 . . . 200,000, simply sign an affidavit. Those between 200 and 5,000 are required to do a full review engagement, and those over 500,000 required to do a full audit.

And implementation of the three-tiered system would harmonize the Saskatchewan process with that of other . . . with other provinces. And that's the direction that we're going now.

Mr. McMorris: — One final question to the minister regarding obviously this Bill. If it is seen that it does increase the film industry and businesses, is government looking at spreading it out further and wider to other areas?

Because of course as I mentioned at the start, that we really, we really hesitate when you start picking winners and losers, picking the film industry and not this, or whatever. And what are the government's plans? Do you plan on spreading it out over a number of different areas in the future?

Hon. Mr. Serby: — Well, Mr. Chair, to the member. He asks a very important question. Because, as he may or may not know, there has been requests as well from the recording industry and certainly from the publishing, from the publishing industry, and also the visual.

And what we're doing is we're examining that process today. We know how successful the tax credit benefit has been in the area that we're talking about today. We're examining it with the other, with the other three areas and hope that we might be able to have a more definitive response over the next year for you.

Clause 1 agreed to.

Clauses 2 to 9 inclusive agreed to.

The committee agreed to report the Bill.

**Bill No. 22 — The Local Improvements
Amendment Act, 2000**

The Chair: — Seeing no shuffle of officials, same officials, Minister?

Hon. Mr. Serby: — The same officials.

The Chair: — Okay, thank you. The same officials. Before I call clause 1, why is the member for Swift Current on his feet?

Mr. Wall: — Leave to introduce guests, Mr. Chairman.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Wall: — Thank you, Mr. Chairman. Thank you to the minister and the member for indulging some introduction of guests.

Mr. Chairman, in the east gallery today is a very special group from Swift Current, Saskatchewan, my hometown. There's 35 students there from Oman School.

And I can tell you from first-hand experience, Mr. Chairman, that Oman School is the very best elementary school in the city of Swift Current. It's where my daughter attends. She's in grade one there. We're very fortunate to have just an excellent group of teachers, and a great parent advisory board.

And 35 grade 5 students have joined us here for just a very brief time to have a look inside the chambers. They're joined by teachers Mr. Franz and Mrs. Mann. Also chaperoning the group today — Mr. Bigelou, Mrs. Gates, Mrs. Thiessen, Mrs. Parsons, and Mrs. Mead.

And it is a privilege to have this group here from Oman School in Swift Current. And I'd ask all members of the Assembly to join me in welcoming them here today.

Hon. Members: Hear, hear!

COMMITTEE OF THE WHOLE

Bill No. 22 — The Local Improvements Amendment Act, 2000 (continued)

Clause 1

Mr. Bjornerud: — Thank you, Mr. Chairman. Mr. Chairman, Mr. Minister, I want to welcome your officials here today. I really have very few questions on this Bill, Mr. Minister. I was wondering, though — it seems to be fairly simple, straightforward amendments that we're dealing with — if you maybe could just give us a quick review of what you're actually doing here, Mr. Minister.

Hon. Mr. Serby: — Mr. Chair, to the member opposite, the member from Saltcoats is correct that these are primarily housekeeping items, which really what we're doing here is bringing the appeal process in line with the assessment process.

And really the housekeeping areas of the amendments are to do about four or five things, but the three most significant ones are to improve the appeal rights of landowners, make the local boards of revision more accountable for decisions, and I think finally, improve the . . . and provide a consistent approach to handling the appeals.

And by and large, they're fairly minor changes that we're making to the legislation which would help us then with bringing the appeal process in line, which is what I've said,

with the assessment process.

Clause 1 agreed to.

Clauses 2 to 7 inclusive agreed to.

The committee agreed to report the Bill.

The Chair: — Why is the hon. member for Thunder Creek on his feet?

Mr. Stewart: — With leave, to introduce guests, Mr. Chair.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Stewart: — Mr. Chair, I'd like to introduce to you and all members of this Hon. Assembly, 12 grade 4 to 7 students from the Beau Soleil School in Gravelbourg, accompanied by their teachers Liza Bégin, José Deschênes . . . that was Bégin-Cossette, José Deschênes, and Julie Léger.

I understand that they've had a tour of the building, and I'll be meeting with them later. I understand that the tour was conducted in French. And I'm sure I'm proud, as I'm sure all members of this Assembly are, that we're able to provide that service to them in French.

And I hope that they've had an educational tour, and I look forward to meeting with them in a couple of minutes.

Hon. Members: Hear, hear!

COMMITTEE OF THE WHOLE

Bill No. 23 — The Planning and Development Amendment Act, 2000

Clause 1

Mr. Bjornerud: — Thank you, Mr. Chairman. Again, Mr. Minister, we just have a few questions on this Bill.

The first one being though, telephone lines are being now considered an essential public service. Can you maybe tell me how this designation affects municipal government?

Hon. Mr. Serby: — Mr. Chair, to the member. The response is that what this would do is really make it easier for the municipalities and the utilities to operate in a more, I might say, conciliatory fashion, as we do today with the SaskPower and as we do with the TransGas or Energy.

Mr. Bjornerud: — Thank you, Mr. Minister. Mr. Chair, to the minister. Mr. Minister, the appeal process has been altered as it pertains to local development appeal boards and the Saskatchewan Municipal Board. Could you briefly summarize the changes and why it was made?

Hon. Mr. Serby: — Mr. Chair, to the member. The Saskatchewan Municipal Board and the municipalities were really asking for more flexibility to the process. And through

our consultations, in order to provide that kind of flexibility, the changes here are reflective in how that might of course accommodate the municipal structure plus also the Municipal Board.

Mr. Bjornerud: — Thank you, Mr. Minister. Mr. Chair, Mr. Minister, I believe it was possibly in the second reading speech I heard you say that these amendments will bring about greater consultation in the North with the creation of northern planning districts.

Mr. Minister, could you outline the mandate and powers of the planning districts and tell us who will serve on them and how they will be appointed, etc.?

Hon. Mr. Serby: — Mr. Chair to the member. The membership on the committees will be the individuals who are from the North of course, and they will be representative of remote communities and resort villages in the northern part of the province. And their job by and large will be to be advisory to the department on municipal zoning, primarily, and the establishment of different zoning areas within the North.

Mr. Bjornerud: — Mr. Chair, thank you, Mr. Minister. That's all the questions I have right now, Mr. Minister. We want to take this opportunity to thank your officials and thank you for the answers to our questions.

(1445)

Clause 1 agreed to.

Clauses 2 to 9 inclusive agreed to.

The committee agreed to report the Bill.

Hon. Mr. Serby: — Mr. Chair, on completion of our work, I want to thank my officials for their assistance in putting together these Bills, and also to thank the opposition members for their questions. These amendments are, although they are basically housekeeping, they have come to us through the municipal structure and through the municipalities. And that your assistance in helping us get these Bills through the House are most important to the municipalities and our municipal leaders. So I thank you, Mr. Chair, and to my officials.

Bill No. 6 — The Mentally Disordered Persons Amendment Act, 1999

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

Hon. Mr. Axworthy: — Thank you, Mr. Chair. Mr. Chair, on my right, Andrea Seale, who's Crown counsel in legislative services in Department of Justice. Behind me is Aurelia Beach who is the program consultant with community care branch of the Department of Health; and to her right, is Ron Kruzeniski, Q.C. (Queen's Counsel), who's the Public Trustee for Saskatchewan.

The Chair: — Thank you, Minister.

Clause 1

Mr. Wall: — Thank you, Mr. Chairman of Committees. And once again, hello to the minister and welcome to his officials. We have a few questions on this Bill for Committee of the Whole, and I'll look forward to receiving the answers.

I guess to start with, I understand there has been considerable consultation that preceded the drafting of this Bill, with groups such as . . . I think it was the chief psychiatrists and . . . but just many of the professionals involved in the industry. And you've had of course, as is evidenced by the officials with you today, some support from across government from other departments.

But I wonder if you could highlight for the members of the committee, how many cases recently and perhaps just over the last couple of years is your department aware of, where it has been proven, I guess where it has been proven that financial abuse has taken place. Specifically as it applies to someone who has been declared incompetent?

Hon. Mr. Axworthy: — Mr. Chair, in response to the member's question. While there are not specific statistics dealing with the numbers of mentally disordered persons who are subject of various forms of abuse, of financial abuse set in this context, there are certainly more than we would hope for — something like 25 per cent of the 175 a year that the Public Trustee looks into.

And in that event, obviously more time is spent ensuring that the mentally disordered person is protected as much as possible, and that of course requires extra resources within the Public Trustee office. But every step is taken to ensure that the potential for that abuse is removed, and in general the Public Trustee would take over the affairs of the mentally disordered person.

Mr. Wall: — Thank you, Mr. Minister. Mr. Chairman, it strikes me that a lot of what's in this Act is meant not only to try to prevent this kind of abuse but also to improve the process, and I don't if streamline is the right word, but make some improvements in the process that people have access to.

And I wonder if you can in the course of drafting the Bill, if you can highlight for the members of the committee the length of time that it takes to have the exam done. Because that's clearly an important stage of the Bill where a competency exam is administered again on the individual in question.

And in light of the fact that we're seemingly trying to sort of speed up the process and prevent that window for abuse, could you highlight if . . . what is the approximate time for an exam? Is there a waiting period for example? I'm just not sure.

The Chair: — Why is the hon. member for Regina Qu'Appelle Valley on his feet?

Mr. Wartman: — Thank you, Mr. Chair. I would like leave to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Wartman: — Thank you, Mr. Chair. I would like to

introduce to you and through you to the rest of the Assembly, two young men who are very interested in politics in Saskatchewan. They have been to the youth parliament and have been here a couple of times to observe the proceedings.

Seated in the west gallery are Tanner Morrison and Kelsey Rose. Kelsey is also resident in my constituency. And we'd like to welcome them here and hope that they find the proceedings enlightening and interesting. Thank you.

Hon. Members: Hear, hear!

COMMITTEE OF THE WHOLE

Bill No. 6 — The Mentally Disordered Persons Amendment Act, 1999 (continued)

Hon. Mr. Axworthy: — Mr. Chair, the question was how long does a competency evaluation take and is there any delay. The matter is properly within the jurisdiction of a judge, and so a judge could decide . . . could ensure that an order would be made by a certain time. But I'm informed that this rarely takes any longer than a week under any circumstances.

Mr. Wall: — For someone whose competency is still not yet determined or is perhaps still in question even after an exam has taken place, what rights does an individual have to simply refuse to undergo an exam?

Hon. Mr. Axworthy: — The member asked, Mr. Chair, what . . . the extent to which an individual who's been ordered to subject . . . has been ordered to have a competency test can, I think, resist that. And in fact if a judge decides on the basis, on the balance of evidence presented that a competency assessment should take place, then it will take place.

So there is not the opportunity for a person to say that they do not want their competency assessed.

Mr. Wall: — Thank you. Mr. Chairman, Mr. Minister, has the department analyzed the new process that will be enacted as a result of this piece of legislation as to cost? Will there be any increased cost as a result of the new process?

Hon. Mr. Axworthy: — Well, Mr. Chair, it's actually quite rare that the matter would go to the Court of Queen's Bench now, and even more rare that it would likely go to the Court of Appeal. Costs are minimal now. It's not anticipated that there are any significant costs here at all.

The Chair: — Before I call clause 1, the Minister of Justice has a House . . . amendment, rather, to clause 1, and I'll recognize the minister to move the amendment.

Hon. Mr. Axworthy: — Thank you, Mr. Chair. I move that the House:

Amend Clause 1 of the printed Bill by striking out "*The Mentally Disordered Persons Amendment Act, 1999*" and substituting "*The Mentally Disordered Persons Amendment Act, 2000*".

Amendment agreed to.

Clause 1 as amended agreed to.

Clauses 2 to 5 inclusive agreed to.

The committee agreed to report the Bill as amended.

The Chair: — Why is the hon. member for Regina Northeast on his feet?

Mr. Harper: — To ask leave for the introduction of guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Harper: — Thank you, Mr. Chairman. I would like to join with my colleague from Regina Qu'Appelle Valley in welcoming our young guests seated in the west gallery. A special welcome to Tanner Morrison who has been a very valuable addition to my executive association. And I welcome Tanner here and I want to thank him for coming down here today, and I hope you enjoy the proceedings here. Thank you.

Hon. Members: Hear, hear!

The Chair: — Committee members, the Chair would ask leave to introduce a guest.

Leave granted.

Mr. Trew: — I thank you, committee members. I really would be remiss if I didn't acknowledge Tanner's presence here. Because if the universe unfolds the way we're hoping it will, Tanner will be our number two son's brother-in-law. So special welcome, Tanner; good to see you.

Hon. Members: Hear, hear!

COMMITTEE OF THE WHOLE

Bill No. 16 — The Justice Statutes (Consumer Protection) Amendment Act, 2000

The Chair: — Before I call clause, I'll invite the Minister of Justice to introduce his new officials.

Hon. Mr. Axworthy: — Thank you, Mr. Chair. On my right I'd ask the Assembly to welcome Darcy McGovern, who's been here a number of times, from legislative services in the Department of Justice; and to my left Al Dwyer, who is the registrar of the consumer protection branch.

Clause 1

Mr. Wall: — Thank you, Mr. Chairman of Committees, and once again welcome to the officials here today.

The minister will know, and we've had a discussion . . . In fact shortly after I received my current duties in terms of being Justice critic, we had a good meeting in his office, and we talked about the fact that I would be approaching those duties

from the perspective of someone who has no professional training in the law. And so we have had, as a result of that fact, to seek outside input on a lot of these Bills.

But often, in addition to that input that we received, we can bring to bear perhaps a more laymen's view of issues, and this particular Bill, I think, is one where I'll probably ask some questions that almost everybody would ask because they're fairly topical.

For example, I think the whole issue of evidence and what's admissible and what's reliable is very topical. We've have seen some very celebrated trials dealing with evidence that was a number of decades old.

And in addition to that, this Bill of course deals with electronic documents as evidence. And we've also seen, Mr. Minister and Mr. Chair, a lot of, I guess, current affairs happening lately around the reliability of electronic documents and computer viruses and bugs.

We don't have as many questions on this particular statute, Mr. Minister . . . (inaudible interjection) . . . Well that comes from not being a lawyer. It either comes from not being a lawyer or not paying attention — it's one of the two.

The Chair: — Order. I sincerely hope that it wasn't that the Chair called the wrong Bill. We are on Bill No. 16 of 1999-2000, An Act to amend miscellaneous consumer protection statutes.

Mr. Wall: — I don't blame the chairman. I can, however, I can only blame myself and I'm very happy that the carpets in this venerable institution are red, Mr. Chairman. I might be able to hide in them.

Mr. Chairman, once again thank you for your officials . . . (inaudible interjection) . . . Yes, it is. Thanks to your officials again and welcome them here.

Some questions with respect to An Act to amend miscellaneous consumer protection statutes. I wonder, Minister, could you explain the current process by which a claimant can receive payment for an outstanding bond?

Hon. Mr. Axworthy: — In response to the member's question during The Saskatchewan Evidence Amendment Act, 2000, I'd say . . . the process is relatively straightforward although it has a number of steps. But I think the main point the member is getting at is that in early 1999, January 25, the Court of Queen's Bench really directed that a payment to a person, as a result of a bond being forfeited, would only take place after that person had obtained judgment from the court which generated a long . . . I mean, a much different process than it being the case before, which was a much less formal process whereby the registrar, who upon receiving a complaint from a consumer, would have the branch — the consumer protection branch — investigate.

And if it revealed that the complaint was valid and a financial loss had been experienced by the consumer and remained unsatisfied after the consumer trying to receive payment from the business, the bond of that business was forfeited and the

registrar then prepared a recommendation to cabinet to direct the way in which the bonds were proceeded with.

And so it was a process that didn't require the intervention of a court. It didn't require the claimant — the person, the consumer — to go to court to enforce his or her claim. But as I said, in early 1999, the Queen's Bench . . . the Court of Queen's Bench required the consumer to actually go through that process. And so the purpose behind the statute is to go back to the old process which was less formal, less expensive and plainly quite a lot quicker.

So in the process that we would have before January 25, and the process we will have now, involves the registrar doing an investigation, assessing that the consumer's complaint is a legitimate one requiring the forfeiture of the bond by the business in question and then ensuring that the monies are paid over to the aggrieved consumer.

Mr. Wall: — Thank you, Mr. Minister. Mr. Chair, in the case of bonds, the registrar's decision can be appealed. And I wonder why is there is a need for that, I guess. Has there been a lot of discrepancies in the past?

Hon. Mr. Axworthy: — In response to the member's question, I should indicate that this is very rare that a decision of the registrar be appealed, but it in fact was what generated the involvement of the Court of Queen's Bench early in 1999.

But I think the member would agree that it's an appropriate aspect of due process to ensure that a business who feels . . . which feels that the registrar's decision is improper in some way should be able to appeal to a court to ensure that the decisions are made in a proper way in accordance with the law and in accordance with the procedures that are laid down.

So it's a check in a sense, a check really providing access to a court in the event that the business in dissatisfied with the registrar's decision.

Mr. Wall: — Well why was there a need then, Minister, to substitute the registrar from the Lieutenant Governor in Council as the decision-maker?

Hon. Mr. Axworthy: — In response to the member's question, Mr. Chair. This change puts us more . . . puts us in line with the provinces either side of us, and really properly recognizes that it is the registrar who is the professional official, conducts the investigation and makes the decision as to whether or not the bonds should be forfeited and the consumer compensated.

Previously, that matter . . . the decision of the registrar went to the Lieutenant Governor in Council to cabinet, but as you can imagine it would be almost . . . it would be rare, if ever, that the cabinet would attempt to second-guess the professional official.

So it really recognizes that cabinet's scrutiny would not add anything to the decision of the registrar.

Clause 1 agreed.

Clauses 2 to 7 inclusive agreed to.

The committee agreed to report the Bill

Bill No. 31 — The Police Amendment Act, 2000

The Chair: — I'll invite the Minister of Justice to introduce his new official and I guess the remaining previous official.

Hon. Mr. Axworthy: — Mr. Chair, in the event that you're not yet sick of him — Darcy McGovern is here again from legislative services, and to my left — and I'm sure you're not . . . (inaudible interjection) . . . Somebody is, I heard from the background. And to my left, John Baker who is the executive director of law enforcement services.

Clause 1

Mr. Wall: — Well thank you, Mr. Chairman. Mr. Minister, we do have a few questions with respect to this because I can tell you that policing is a big issue for many of the communities that we represent, for many of those councils. And I think there's some questions both germane to the Bill and just generally about policing in rural areas that we would like to ask. And I wonder, to set the tone, Minister, if you would just outline the . . . and I know that in part, you share some responsibility in this with the Minister of Municipal Government, but could you please just outline for the members of the committee, the funding arrangements and the population threshold for funding arrangements for police in Saskatchewan?

Hon. Mr. Axworthy: — In general terms first, the member will know that he left . . . I'm not supposed to say that. But the member will know that there is a federal-provincial agreement dealing with the police services which is really where the RCMP (Royal Canadian Mounted Police) as our provincial police force, comes into play.

And then there's the provincial-municipal agreement which provides for funding to municipalities, depending upon their size. Those who have a size of . . . a population of less than 500 do not receive any assistance, and then the dollars vary depending upon the size of the population of the municipality.

Does the member want to know some specific details? Yes? And the most recent agreement was made in . . . started in January 1, 1999. So urban communities with a population of between 1,500 and 5,000 now have expenditures of 4,000 . . . I guess it's . . .

(1515)

So the urban communities with a population of between 1,500 and 5,000, their contribution to their police service would be \$4.356 million, which would be about 39 per cent of the total cost.

Urban communities with more than 500 population with a RCMP detachment would be paying about 18 per cent of the cost.

Communities with a population of more than 500 without a detachment would be paying 4 per cent of the cost; and urbans with fewer than 500 with a detachment would be paying 3,000 . . . 3 per cent of the costs. And those urban communities with fewer than 500 people without a detachment would be paying 8

per cent of the cost.

Ms. Julé: — Thank you, Mr. Chair. Mr. Minister, I have a specific situation in the town of Cudworth. And the population of Cudworth is about 750 people.

And the mayor there is requesting some financial assistance of course, based on their per capita population. It seems that, you know, any amount would help if we could just assist them with some sort of help as per their population.

They understand, Mr. Minister, that cities are getting some help with funding for municipal police forces. And they're wondering why then that communities the size of Cudworth cannot get that same sort of assistance.

Hon. Mr. Axworthy: — Mr. Chair, the member will know that the arrangements with municipalities regarding police services can be discussed at great length at . . . by a task force made up of municipal officials, representatives from . . . including representatives from urban and rural municipalities, and that the formula was one which arose out of that task force.

And I've met with the mayor of Cudworth and — on I think a couple of occasions — and discussed this matter with him. And he knows, and indeed other communities in similar situations know, that the appropriate way to express their . . . or an appropriate place to express their concerns would be with the task force which in a consultative way developed the process and the formula in the first place. And it would be useful, I think, if that process was followed.

But I would say that in specific response to the member's question that the funding arrangements, which ensure that the RCMP are the police force for the vast majority of the province, involve a pooling, and so consequently the resources available to any individual detachment would ensure that they were covering appropriately the population within that area.

And that would include, for example, the town of Cudworth in that . . . for that detachment. In the event that the town wishes to go above and beyond that police service from the RCMP, then it's a matter for the community itself. It's a matter for the citizens and for the town council. Should they decide to have their own police force, Mr. Chair, that is a matter for them and a matter for them to fund.

And it's the RCMP's view that the service provided from its detachment to the town of Cudworth and other towns in similar situations is adequate to meet their needs. I know that is not the view of the town, and as I say — I repeat — the issue then is for the town to fund its own extra police service.

Ms. Julé: — Thank you, Mr. Chair. Mr. Minister, you were absolutely correct — there is one and a half positions right now; police positions that are trying very hard to take care of an area surrounding Cudworth, and the police are asking for assistance. There's no doubt there's . . . They just don't have enough manpower there go around to take care of what they need to.

Now, Mr. Minister, it seems like the municipal government there is already paying \$76,000 for their policing as is. And that's a great deal of money, especially these days when your

very own government has cut funding to municipalities and cut funding for all kinds of services, and services in the rural area, especially where rural areas, as you well know, are getting hit very hard by your government.

So it seems to me, Mr. Minister, that when you look at the amount of funding that the municipality is already putting forward in the amount of \$76,000, that's a great burden on them. Certainly the request by the mayor of Cudworth seems to me to be a very reasonable request whereby the burden on municipal taxpayers would be lessened. And he's just simply asking for the same consideration that cities get as far as municipal police funding goes.

So I recognize what you're saying about the task force, but I also recognize that somehow the rural areas got the short end of the stick here obviously. And I think it would be most appropriate for you as minister to try to work out some sort of a formula that would assist the rural communities with their policing needs in a much more . . . I guess a much fairer fashion is what I'm trying to say. Thank you.

Hon. Mr. Axworthy: — In response to the member's question, I'm aware that this is a difficulty for towns like Cudworth. But in consultation with the RCMP — and I've urged the mayor of Cudworth to talk to the local RCMP detachment — it's the RCMP's view that there are more than enough police officers in the detachment to address the concerns of Cudworth, and consequently that the RCMP detachment can provide the services that Cudworth needs.

And in fact the RCMP does respond to calls from Cudworth, in particular when the one member for the town of Cudworth in the capacity as a police officer is not on duty. Plainly with a one-member force that would be two-thirds of the time and probably some time at the weekend. So the RCMP does operate within the town of Cudworth as well.

But the crux of the matter really here is that the RCMP informs us that there are adequate resources, in fact, more than adequate resources in the detachment to service the surrounding area including the town of Cudworth. The town of Cudworth doesn't agree.

And the view we have taken is that the RCMP's assessment is an accurate one and if the town wishes to have more police services than is regarded as adequate by the RCMP, then it really is a matter for its own taxpayers.

Mr. Wall: — Mr. Chair, Mr. Minister, in reviewing the Bill and in reviewing your remarks for your second reading speech you highlighted, quite rightly, the provisions in this Bill that allow the cabinet to permit authorities such as RMs and First Nations to establish a police service. And you went on to highlight the File Hills Agency which is the first First Nations force of its kind. And you also commended it for the work that it's doing.

And I wonder if you could expand on that a little bit, the success that they have had, and the rationale for wanting to expand the opportunity for this to RMs and First Nations. And who has been calling for this?

For example, has SARM (Saskatchewan Association of Rural

Municipalities) been interested in it? Because they're mentioned specifically. And I would assume the FSIN has been consulted, but maybe you could elaborate a little bit on that consultation.

Hon. Mr. Axworthy: — Mr. Deputy Chair, first with regards to municipal police forces, indeed as the member indicates SARM was consulted and supports the changes which are being suggested.

And at present those changes really deal with only two rural municipalities, that of Corman Park and Vanscoy. Those police services will now be formally separate police services although, as the member will know, the scope of their authority is somewhat limited really to enforcing liquor and traffic laws and bylaws.

But I know from a ride along I had not very long ago with Cst. Waslowski from Corman Park, that the kind of work that that police service does — and I take it probably similar in Vanscoy — is very much a community kind of police service, checking on people who are away from home, and in fact doing the kind of community work that we all think is useful.

With regards to File Hills, this is indeed an exciting development for the province. The first First Nations police service in the province, which is I think a major . . . an important development.

So this will . . . this agreement and the Act will permit us to enforce . . . or to make an agreement and to pursue that agreement which will provide for a three-year transition period for File Hills Agency to move from the RCMP 100 per cent to 100 per cent First Nations police service.

It's a transitional arrangement which ensures, first of all, smooth development. It ensures that the expertise of the RCMP is taken into the police service at File Hills and ensures that the File Hills Agency First Nations police service will be indeed a professional and effective police service.

It should also be pointed out that the police service, and any others which we may come to agreement on, will derive their authority from the provincial police Act, and will in fact be administered in terms of disciplinary measures and so on by the police commission.

So we have a province-wide process of ensuring the effectiveness of the police service; indeed, ensuring that that police service at File Hills is administered under the same quality and standards, guidelines, as any other police service in the province.

And it is indeed an important development for not only File Hills, but for the province as a whole. And yesterday as we know, we were all celebrating National Aboriginal Day. This is indeed an important event to celebrate as well. And we look forward to further developments in the years ahead.

(1530)

Mr. Bjornerud: — Thank you, Mr. Chair. Mr. Minister, you had mentioned you had a ride along, and we were wondering —

a number of the members on this side — whether that was voluntary or was that a forced ride along that you had there?

Mr. Minister, the member for Swift Current just had to step out for a second, will be back right away, but another question that he was wondering about, could you touch on the training that these police officers would have? And you've touched a bit on it but could you touch on the type of training and how they will be trained, and where, and so on?

Hon. Mr. Axworthy: — Mr. Chair, I assure the member that it was entirely voluntary on my part. Whether it was voluntary on Constable Waslowski's part, I'm not so sure.

The independent police services, the municipal police service, which will include Corman Park and Vanscoy, and indeed File Hills Agency First Nations police service as well, will go through the police college here in Regina in exactly the same way as any other municipal police service will do.

And indeed Corman Park is already utilizing the police college in this way. And indeed, at a recent graduation, one of the new police officers graduating from the police college was from Corman Park.

So I think the main point here is that the quality of training for municipal police forces will be exactly the same whether they're from Corman Park, Vanscoy, File Hills Agency, Saskatoon, Regina, Prince Albert, and so on.

Mr. Wall: — Mr. Minister, this is a, you know it's a . . . these represent amendments but they're fairly, fairly substantive amendments. And I wonder if you could tell members of the committee whether or not your department had discussions recently — or may perhaps in the drafting of this legislation or related directly to this legislation — in terms of a provincial police force?

Hon. Mr. Axworthy: — The member asks, Mr. Chair, whether we considered, in the process of developing this legislation, a stand-alone provincial police service. I think that's what the point of the question was.

This was looked into about a year and a half ago, and the increased costs that this would entail was estimated at that time to be about \$36 million a year above and beyond what we would now be paying for the RCMP.

And there are a number of advantages, I think the member will agree, with the RCMP being our provincial police force, not to mention the history and tradition and the connection with Regina: the important economic and indeed community aspect of the RCMP's presence here in Regina with the training academy and the depot and so on; and the fact that it is a nationwide police force which enables those who . . . those professional police officers in it to have significant career options.

And we have, I think . . . I think everyone in the province would agree, have received really terrific service from the RCMP, and it is a police service that we all are justly proud of.

Mr. Wall: — Thank you, Mr. Minister. Mr. Chairman, I would

agree. The city of Swift Current has been fortunate for the last number of years to have a city detachment as well as a rural detachment of the mounted police. And I note with interest that your department was looking at the potential of a provincial police force and I guess, though, I wouldn't mind moving on to some of the other smaller communities in Saskatchewan who have municipal police forces.

And one specific concern they have that I wonder if you could address in context of committee deliberations on The Police Amendment Act is as it relates to special constables. Because there are a number of single detachment . . . single member detachment or single member, I guess, municipal forces in the province.

Luseland, Watson, Churchbridge, Cudworth and Caronport are the ones that I would like to put forward to you today, Mr. Minister. And for them, the special constable program which most police forces, municipal and the RCMP, at least in Swift Current, they laud this program as an excellent way to provide additional support for the police detachments.

That particular program would be unavailable to these departments because of provisions, as I understand it, that would simply limit special constables to those situations where they can be under the direct supervision of the . . . a police force from that force, from that detachment.

That's my understanding. And if I'm wrong, then please correct me, but that's my understanding.

So therefore those municipalities that perhaps most require some relief or some support that a special constable could provide, like these that only have one member, they are unable of course to access the special constable program as a result of that, Minister.

And I wonder if you've had discussions with the RCMP because you detail the situation where the town of Cudworth, the single member that . . . the police member . . . the police officer for that community simply can't be on duty 24 hours a day, 7 days a week. And so the RCMP co-operate in that respect and provide policing there.

I wonder has any discussions ever been had with the RCMP to have the special constable program . . . some co-operation with respect to the special constable program to ease the burden on these municipalities that have chosen to have municipal forces, and are paying for it as you outlined. They're paying for the whole shot. Has there been any discussion with them or consideration of expanding the special constable program to those communities?

Mr. Wall: — Mr. Chairman, while the minister consults with his officials, I wonder if I could ask leave to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Wall: — Thank you, Mr. Chairman. In the east gallery there are 34 grade 5 students from Oman School. We've already had a visit from about 35 grade 5 students from Oman School

here today. And although the members here will have heard me say it before, the students didn't. I can say, Mr. Chairman, with surety that Oman School is the best elementary school in Swift Current. It's where my daughter goes. She's in grade 1.

It has a great group of teachers and a wonderful parent advisory board and great activities for the kids as well as providing an excellent education. And so they are joined in the gallery by their teacher, Dallas Kolb, and several other chaperones, many of whom I know.

But I'll single out one and possibly embarrass her because she was a colleague of mine when I worked for the city of Swift Current, and her name is Bonnie Poushay. She's here with her daughter, Amy, and also a very good friend, Danielle Ershall, is up there.

But anyway I'd ask all members of the Assembly to join with me in welcoming this grade 5 group of kids from Oman School.

Hon. Members: Hear, hear!

COMMITTEE OF THE WHOLE

Bill No. 31 — The Police Amendment Act, 2000 (continued)

Hon. Mr. Axworthy: — Thank you, Mr. Chair, and thank the member for giving me a little bit more time with my officials.

The member may be aware . . . members may or may not be aware that there are about 225 RCMP auxiliary constables who essentially do this work because they want to assist in policing and providing safety and security to their communities and about half a dozen in municipal police forces.

So we have a significant number of people who are assisting police services across the province and providing services to our communities. They usually have some training, but not as much training as a police officer would. And they are appointed, as the member suggests, as special constables with quite limited powers and the requirement that — and this is really the point of the member's question I think — the requirement that they work under the direct supervision of a fully trained regular police officer. They don't carry guns, but they essentially act in conjunction with the officer they are in the car with or in the community with.

One of the problems of allowing an auxiliary constable to operate other than in the direct supervision, under the direct supervision of a fully trained regular police officer is the risk both to that auxiliary constable and to the community at large as a result of not being trained for all eventualities. And it's a concern of ours that we don't put those auxiliary constables or the community at risk as a result of having those auxiliary officers in the community on their own.

But I would say, and the member will be familiar with Davidson I expect, where there is a person employed by the town who is really more like a security guard who spends time in the community and provides some extra . . . both sense of security and, I imagine, real security to that community as well. But that person is not a police officer but is more like, I

suppose, an old-style town watchperson.

So we have the concern that we have . . . (inaudible interjection) . . . Yes, I don't think they were persons back then; they were all men back then.

So that is our concern about safety and security of both the auxiliary police officers and the community.

But I'd say that we are more than open to explore any possibilities, any kind of ideas that would assist both communities and the police service. And I can say that the auxiliary police officer, the auxiliary constable program is one which both the RCMP and the municipal services regard highly and see as very useful, both for the auxiliary constable themselves and for the community at large.

Mr. Wall: — Thank you, Mr. Chairman. I guess I would encourage the minister to do that. I appreciate the fact that he's indicated he's going to be open to perhaps expanding the program. Because I agree. Everything that I've heard from all sides is that the special constable program is one that can work. And to me it can fill a gap in some of these communities that perhaps need a situation like you've detailed in Davidson but would like to maybe upgrade to a special constable. So I encourage you to do that.

And, Mr. Chairman, as a final question, I wonder if I could just briefly return to a line of questioning I think that the member from Saltcoats assisted me with, with respect to this Act allowing First Nations people to develop their forces. And forgive me, I don't know if you touched on this in your answer — I don't think you did — but what do you believe the uptake will be of that? What kind of input have you had from the First Nations community of the province in terms of their interest in doing their own policing?

Hon. Mr. Axworthy: — We've had some interest from other First Nations other than File Hills Agency, Mr. Chair, and this is to be welcomed. As I'm sure the member is aware there are a number of options for First Nations either to have an RCMP service stationed in their community, in their First Nations, or to move towards this kind of independent police service. And of course many also are merely served from a detachment off-reserve.

But we are interested in ensuring that the File Hills Agency police service moves along smoothly. They're plainly to be commended for their collaborative approach with the RCMP and with Sask Justice. I think this is very important in their move towards, really, a very professional and effective police service in their community.

We want to ensure that that model is one which works effectively in File Hills Agency's First Nations territory and would welcome consideration from other First Nations once we ensure that the File Hills Agency police service works as we anticipate it will.

So we would see other First Nations communities requesting the same kind of police service as File Hills Agency, and we look forward to File Hills police service being a top-notch police service, as we expect it will be, and to expanding that

program then into other First Nations.

(1545)

Clause 1 agreed to.

Clauses 2 to 9 inclusive agreed to.

Hon. Mr. Axworthy: — I do so move, Mr. Speaker, that Bill No. 31 be reported without amendment, and in the process can I thank my officials for being here today and for all the work they do.

The committee agreed to report the Bill.

**Bill No. 34 — The Saskatchewan Evidence
Amendment Act, 2000**

The Chair: — I'll invite the Hon. Minister of Justice to introduce his official.

Hon. Mr. Axworthy: — Thanks, Mr. Chair. To my right I'd ask the members to welcome Brent Prenevost from legislative services in the Department of Justice.

Clause 1

Mr. Wall: — Mr. Chairman, and may I say through you to the members of the committee, it's about time we got to this Bill, Mr. Chairman. We wanted to talk about this a little bit earlier in the day, but we were thwarted in our attempt to talk about it earlier, and we'll talk about it now, I guess.

We have a number of questions on this particular Bill. And as I was relating to the minister at some length, at some considerable length, was that the approach that I think anybody would take to this Bill when they just looked at the title — I don't think you have to be a lawyer for people to come up with some questions — just by looking at the title of this Bill based on what has happened here in Saskatchewan and what's been in the news, both with respect to evidence and how old evidence was recently admitted into a case and was the source of some discussion, public and otherwise.

And also what's been topical of late is computer viruses and computer bugs. That's also been a topic that people have talked about and we've also sort of witnessed their ability to destroy bugs . . . computer bug's ability to destroy documents and really entire programs on computer.

So there's some obvious questions that come as a result of both of those two topics, Mr. Minister, and I wonder if you could answer for members of the committee some of the following questions along that line.

Is it possible that any of the computer . . . computer records produced as evidence could be compromised by a virus or bug or by some other means?

Hon. Mr. Axworthy: — Mr. Chair, the question, I think, is an interesting one. It goes, I think, beyond the piece of legislation before us.

But it's, I think, important to relate that when a piece of evidence is presented to a court, the court . . . the judge essentially will ascertain the validity of that piece of evidence.

And if there are any questions about whether it was compromised in any way — just as if it were a piece of paper, there might be questions regarding whether or not that piece of paper was forged or obtained under duress or whatever — so the court then would ascertain the efficacy of the evidence before it, whether it be on a piece of paper or whether it be a computer record.

So it would be a matter for the judge to decide.

Mr. Wall: — Thank you, Minister. And that sort of begs a follow-up question; I understand it's beyond the scope of the Bill.

But it's one thing, I think, for a court to be able to make that determination based on evidence that might be presented on paper, or physical evidence of some nature. But there is a whole level of expertise and a whole level of skill and ability that is required of anybody who's going to determine the legitimacy of electronic evidence, or basically computer-based evidence, if indeed we know that that kind of evidence could be subject to tampering; and we know that there's very, very talented people in the world who are able to, in very innovative and creative ways, manipulate electronic documents through hacking.

And I guess that's the question. I understand that the judge would . . . that the court would be required to determine the legitimacy of this evidence. But will the court not need a whole level of expertise in order to do that in the case of electronic evidence?

Hon. Mr. Axworthy: — Well indeed it is an important question and will become ever more important as more and more business is done electronically.

The Bill actually does talk about how a person who wishes to sustain the integrity of a document can do so, in section 29.4. And essentially what is required here to show that the electronic record is efficacious is to show that the system was working well at all material times. For example subsection (a), subsection (b):

that the . . . record was recorded and stored by a . . .
(person) who is adverse in interest to the party seeking to
introduce it;

And that it was stored . . . recorded and stored in the usual and ordinary course of business.

So there are some guidelines to both the person who is concerned about the integrity of the electronic record and a court in terms of ascertaining whether or not it does have the required integrity.

Mr. Wall: — Mr. Chairman, Mr. Minister, you're quite rightly sort of highlighting section 29.4 of this particular Act.

But, you know, it's a fairly general reference to safeguarding electronic evidence and, of course, there are some very specific

technical computer terms that perhaps are part of regulations. I'm not sure, Mr. Deputy Chair of Committees.

But I wonder if you'd comment on that. On what detail the department has looked at in this regard. For example, in the various firewalling, the various computer security, the various security measures that information services people can undertake for computer systems — has all of this been contemplated?

Because I would imagine that there is nothing more serious, especially for one who's been accused perhaps and is looking to exonerate themselves, or for others who are looking for justice, there would be nothing more important than the security of that evidence.

And so I wonder if it comes in the regulations or if your department has detailed in its work exactly the security perimeters that will be taking the security standards that must be met by any computer system that will house electronic evidence with respect to firewalling and other information services, security measures that you'd be able to take.

Hon. Mr. Axworthy: — The member's question I think is best addressed in the following way. The amendment to The Saskatchewan Evidence Act is about rules and regulations regarding the introduction of evidence before a court.

And as we've discussed, there are suggestions or provisions in the Act providing for how a person might show that the record which . . . the electronic record they're presenting is the product of a system which does not compromise that record's integrity. There are some provisions also dealing with the standards which have to be met in order for the electronic record to be admissible in section 29.5.

So the Bill is about rules relating to the introduction of evidence. The point the member raises is a really important one. How . . . I mean what we do to ensure that these records are in fact reliable and they are obtained and stored in a reliable way?

And this raises really similar questions with regards to written pieces of evidence, too. The same matter might arise. How do we ensure that a written piece of paper has not been altered or forged, that it in fact represents what the person putting it forward claims it represents?

These are matters too which are of importance with regards to electronic records. I think the member rightly points out that because of the nature of electronic records these things are much more open to potential abuse.

But the person who wishes to put forward a record, computer record, and claim its integrity and use it as evidence, is of course going to have to have a process in place which he or she can substantiate as being valid and proper. And so it's in that person's interest to ensure that's the case.

In the event that somebody wishes to say no, that is not an appropriate record, that there's something . . . it's been tampered with in some way — and just as would be the case with a piece of paper — they would have to bring evidence to show that this was at least a potential . . . a problem and in

doing so would presumably use the standards provisions here and the integrity provisions here to show that no, they weren't stored in the proper way. No, they weren't obtained in the normal course of business and perhaps that they were collected by someone who has a personal interest in insuring that those documents are what they say they are rather than an independent kind of . . . an independent record.

So I think the response here is that this is about admissibility. Questions about reliable systems are for those who are attempting to bring forward the evidence as being reliable.

Mr. Wall: — Thank you, Mr. Minister. Mr. Deputy Chair, I guess this is probably more of a comment than it is a question. And it will be the last one on this Bill.

But I guess as it relates to section 29.4 and subsection (a) says:

by evidence that supports a finding that at all material times the computer system or other similar device was operating properly or, if it was not, the fact of its not operating properly did not affect the integrity of the electronic record . . .

And to me that's coming very close to, I think, where we need to be. But as we get further in — and you mentioned it in one of your answers — we get further into a world where this will be the norm rather than the exception — and I'm sure that day is coming — I'm suggesting that the regulations for this Act or some provision of the Department of Justice should probably set a standard. Because who's going to make that decision, Minister? Who is going to make . . . who is going to be able to determine that the computer system was operating properly?

I think that the Bill would be better served . . . or if in the regs or if in the department requirements the onus wasn't on whether or not the computer system was operating properly but on a minimum system. What's your basic system?

Because there's certain systems that can be compromised extremely easy. And I'm not a computer wizard, but I know that a lot of systems can be compromised by people who want to do that — very easily — when others cannot, if they have suitable management information systems, security measures taken.

And so I guess that would be a final comment, that at some point whether it's in the regs or in the requirements, that less onus be placed on someone who may not have the ability to determine if the computer was operating correctly; but rather that they be able to demonstrate they were storing this evidence or this electronic information on a system that met some basic requirement of information service security.

(1600)

Hon. Mr. Axworthy: — The member again raises an interesting question and one which I'm sure will affect the confidence with which people approach evidence of this sort.

But again I'd say that this is a Bill which serves merely to support the use of electronic information in an age which is changing quickly. And in fact, one of the reasons why it's difficult to set down specific standards is because of that fast

pace of change.

There are, as the member will note, files which can't be changed. And I think it's proper to say that the business community is responding to these challenges in a significant way by developing, for example, files that can't be changed. By developing safeguards, for example, with regards to the safety and security of credit cards and so on.

So in order for the electronic commerce to work effectively, fully effectively, all these things will be addressed, have to be addressed. And indeed it seems to me the business community is responding fairly quickly to that. The member's question remains, and we will be of course watching carefully the way in which this process works.

I would say that provinces across the country have worked together on these questions, accepting that things are moving quickly, and the Uniform Law Conference of Canada, which is the body which coordinates or attempts to coordinate wherever possible legislation across the country, has been working on this. And indeed this is a product of that work.

So each province is facing the same kinds of challenges, and this is the result. New Brunswick I understand has legislation which is similar.

Mr. Wall: — Mr. Deputy Chair, just before you call the clauses, I wonder if I could just thank the minister again, and all of his officials who have come here today to discuss these four or five Bills, thank you. And I know we will be doing this again soon. Thank you.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

Hon. Mr. Axworthy: — Mr. Speaker, may I also thank Brent Prenevost for his help here and in fact on a continuing basis, and thank the member for his kind comments and for his interesting questions. We have many challenges ahead in this area of electronic commerce.

And I would move that we report the Bill without amendment.

The committee agreed to report the Bill.

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

The Chair: — I'd like to invite the Minister of Labour to introduce the officials that have joined her.

Hon. Ms. Crofford: — Thank you, Mr. Chair. With me today is Larry Chaykowski, the executive director of finance administration and facilities for Municipal Affairs, Culture and Housing. And seated beside me is John-Paul Elson, the chair of the board of directors of the Saskatchewan Centre of the Arts.

And may I have leave to introduce guests as well?

Leave granted.

INTRODUCTION OF GUESTS

Hon. Ms. Crofford: — As well in your gallery, Mr. Chair, I'd just like to introduce Andy Tahn who is the senior policy analyst at the program policy development review branch of Municipal Affairs, Culture and Housing and Mr. Jerry Senko who is the operations manager of the Saskatchewan Centre of the Arts.

Hon. Members: Hear, hear!

**Bill No. 79 — The Saskatchewan Centre
of the Arts Act, 2000
(continued)**

Clause 1

Mr. McMorris: — Thank you, Mr. Chair. I welcome the officials here today. I don't have a lot of questions on this Bill but there are a few that I would like to . . . just some clarification on I guess. From my understanding there hadn't really been anything done in the Act for 30 years. So it's probably very timely and it's been driven really from the centre's board that there needed to be some changes so . . . (inaudible interjection) . . . pardon me . . . three zero — one zero that is.

So I guess first of all, is the board, it's really downsizing? It's going from 50 board members, correct? It's down to 12? Could you . . . I'm not familiar with the process of who is on the board and how that whole process where they're appointed and how is that whole process . . . how will the 12 be named I guess or appointed or how does that work?

Hon. Ms. Crofford: — Thank you for the question. Mr. Chair, the board . . . really what these changes do is bring it into line with practice. We haven't really had 50 sitting members for quite some time. But what we do is we solicit names from around the community.

Sometimes board members will bring forward names of people who have an interest in serving the Centre of the Arts. At times organizations who use the Centre of the Arts will bring forward names. And basically it's just a process of seeing who might be interested in serving and we do reach out a bit to see if we can find names from centres outside Regina that make use of the centre as well, but certainly any one who might have a name to suggest of someone who would be interested in the cultural activities of the centre.

We certainly consider the background and try to put together a mix of people with the regional skill-sets, interests, etc., and as well as we try to achieve gender balance in the appointment of the board.

Mr. McMorris: — Thank you, Mr. Chair. Another question regarding . . . it talks about setting up a couple of funds, one for capital and one for programming, and of course the board I guess then would be responsible.

But how does . . . how is that all going to work? And can money be transferred from one to the other if there's a shortfall, or needs . . . How does that . . . Is there going to be transferring?

How's that working?

Hon. Ms. Crofford: — I just wanted to make sure I had it all right, Mr. Chair. And certainly the . . . one of the reasons why we've set the practices up in this way is donors like to be sure that when they make a donation for capital, that that is in fact what their donation is going towards. So the funds are distinct and separate, and movement does not occur between the funds.

And in regards to investment of funds, the normal investment policies of the government are followed in any investment of funds.

Mr. McMorris: — Thank you, Mr. Chair. To the minister, then that investment of funds, the normal government policy . . . so it's really not up to the centre board, or how is that . . . who is going to do the investment of funds? I just, maybe some clarification on government policy on how that works.

Hon. Ms. Crofford: — The Financial Administration Act of the government, Mr. Chair, lays out the regulations regarding how money can be invested. And that would be, I guess, the source of direction for any use of the funds.

Mr. McMorris: — I think that pretty much covers off most of the questions I had. It was going to be very brief. So I'd like to thank the officials for their short stint and assistance. Thank you.

Hon. Ms. Crofford: — And, Mr. Chair, I'd like to thank the member opposite, both for his supportive comments during second reading of this Act and as well for recognizing the value of the Centre of the Arts. And as well to thank the officials for coming today.

The Deputy Chair: — Thank you both.

Clause 1 agreed to.

Clauses 2 to 30 inclusive agreed to.

The committee agreed to report the Bill.

Hon. Mr. Sonntag: — Thank you, Mr. Chair. Just before we start, I'm going to ask leave just to introduce guests who are here for the Committee of the Whole today.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Sonntag: — Thank you very much, Mr. Chair. I just would like to introduce to the Assembly and ask other members to welcome, seated in the Speaker's gallery, Dennis Paddock who is the director . . . executive director, I should say, and registrar of APEGS (Association of Professional Engineers and Geoscientists of Saskatchewan). And seated beside him is Bob McDonald, director of membership services for APEGS, who, as I indicated, are here to join us for the Committee of the Whole.

And I ask all members to join with me in welcoming them here today.

Hon. Members: Hear, hear!

COMMITTEE OF THE WHOLE

Bill No. 61 — The Engineering and Geoscience Professions Amendment Act, 2000

The Deputy Chair: — Before we get underway I'd like to invite the hon. Minister of Highways to introduce his officials.

Hon. Mr. Sonntag: — Sure, thank you very much. Seated immediately to my left is Susan Amrud with the Department of Justice. Behind me and to my left is Carl Negggers who is the assistant deputy minister of policy. And directly behind me is Dave Abbey from the Department of Transportation, a legislation officer.

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

(1615)

Clause 1

Mr. Stewart: — Thank you, Mr. Deputy Chair. I also would like to join with the minister in welcoming Mr. Paddock and Mr. McDonald. It's been a pleasure working with them. And I certainly hope that they'll achieve what they and their association wants out of this today.

I'd like to welcome the officials. I can guarantee that you'll be here for only a short time. This should be quite quick and painless, as I think we all agree that for the most part this Bill is what everybody wants — all the parties.

If I could start, Mr. Minister, would you for the record briefly summarize what this Bill will do — what amendments, what the amendments are about, and why they're being changed.

Hon. Mr. Sonntag: — Sure. First of all it updates the description of the scope of practice of professional engineering. And it also allows the Association of Professional Engineers and Geoscientists of Saskatchewan to recognize engineers and geoscientists registered in other provinces and territories of Canada in compliance with the agreement on internal trade.

Mr. Stewart: — Thank you, Mr. Minister. Mr. Minister, this Act was first passed in 1996. I guess my question is why did the department wait this long when it was clear that the engineering profession wanted these changes?

Hon. Mr. Sonntag: — There were other groups who were, who are affected by this legislation, and there will actually be proclamation of consequential amendments in other Acts as a result of this. And we were allowing time to find consensus between APEGS and other affected groups.

Mr. Stewart: — Thank you, Mr. Minister. My final question, I think, unless something arises out of this answer.

When will this Bill be reviewed again? Will this be an ongoing, on an ongoing basis? Will you be meeting with the professional groups affected by these proposed amendments to ensure that they are pleased with its effectiveness?

Hon. Mr. Sonntag: — Well I hope we're flexible. It's an ongoing relationship. It will be reviewed on an ongoing basis, but there isn't . . . if you're asking specifically is there a set time as to when this would be, come up and be reviewed again, there isn't any specified time at all.

Mr. Stewart: — Thank you, Mr. Minister, and thank you to the department officials. That's all that I have.

Clause 1 agreed to.

Clauses 2 to 6 inclusive agreed to.

Hon. Mr. Sonntag: — Thank you, Mr. Chair. I would like to take the opportunity as well to thank our officials and the affected organizations by this . . . who are affected by this legislation, I should say. And also for the questions from the member opposite and probably more specifically, the opposition party generally who has worked with the affected organizations in helping us find an amicable resolution to the concerns that were raised by all the affected groups. So my thanks to everyone involved.

The committee agreed to report the Bill.

Bill No. 49 — The Highways and Transportation Amendment Act, 2000

The Chair: — I'm not sure if there's any change in the officials, but if there is I'd invite the minister to introduce the new officials who have joined him.

Hon. Mr. Sonntag: — The only change, Mr. Chair, is the official seated directly behind me, Mr. John Hobbs, with the Department of Justice.

Clause 1

Mr. Elhard: — Thank you, Mr. Chairman. I want to thank the minister and his officials for the time they're going to give us this afternoon, for their attendance here today. And since this Act covers a variety of changes, The Highways and Transportation Act generally, I think we will cover a wide variety of topics actually this afternoon.

And I think what I'll do is just . . . we'll go through it in the order in which they are presented in Bill No. 49 per se. In clause 2(v), it's amended by adding the words:

but does include a designated trail within the meaning of The Snowmobile Act or any other trail or path for which a permit is required . . .

Now that designation leads me to ask, you know, what circumstances or specific concerns have given rise to this particular change. And could you, Mr. Minister, cite a specific example of why it's necessary to make this change and how it will benefit the people of this province?

Hon. Mr. Sonntag: — Mr. Chair, specifically one example would be that we've had requests from the snowmobile clubs, as an example, to use the ditches. And the purpose of this amendment is to clarify that the department's legal

responsibilities would be the roadway as opposed to the ditches. Now that's of course barring any situation that would obviously be the responsibility of the department specifically.

Mr. Elhard: — So can I assume from your response, Mr. Minister, that liability is the only consideration, or is safety of the general public also being taken into consideration here?

Hon. Mr. Sonntag: — It is primarily to clarify the department's responsibility and liability.

Mr. Elhard: — In this regard, have there ever been any representations made to the department, Mr. Minister, concerning issues of safety? And I'm talking about travelling safety on the highways.

I was just mentioning to my colleague how on a stormy night I was driving home and all of a sudden a set of headlights appeared to me, coming toward me, frankly. And in the poor visibility of the blowing snow and so forth, I wasn't sure that I was actually going to be on the road; the headlights were on the wrong side of the road.

Well, as I got close enough to the situation I realized it was two snowmobiles in the ditch. And you know, had I been a little less conscientious as a driver, I may have made some bad assumptions about where I was located on the road.

Has that kind of a concern ever been raised with the department in terms of safety of, not the operators of the snowmobiles so much, but in terms of the driving public?

Hon. Mr. Sonntag: — The concern that the member identifies is not technically a part of this process, but it certainly is a concern that's been raised to the department on a number of occasions.

Mr. Elhard: — Mr. Chairman, to the minister. My colleague just raised an issue with me — being much more familiar with snowmobiling and having been a snowmobile dealer and probably an active participant — that snowmobiles themselves are licensed under the highways Act, as I understand it. There is liability insurance, I assume, that would go with that.

If they're already paying for that type of coverage and the privilege of operating a snowmobile, would it not extend to the realm of freedom to operate in the ditches and maybe not excuse the government, frankly, from liability in using the ditches for that purpose?

Hon. Mr. Sonntag: — You may have a follow-up question, but just . . . snowmobiles are licensed under The Snowmobile Act, not under this specific legislation.

Mr. Elhard: — Mr. Minister, the intent of my question I guess is to say if snowmobiles are legitimately licensed, and I assume that there are insurance provisions as part of that licensing Act, and if they are legal entities, for all intents and purposes having been licensed by the government, why should they not have the same privilege of protection in terms of using the ditches? Why should they be exempted . . . or why should the government be exempted from any liability in that respect?

If operating the snowmobiles in the ditches is part of the privilege of having a licensed snowmobile, why would the government consider itself exempt from that liability?

(1630)

Hon. Mr. Sonntag: — I apologize to the member for taking so long but you've asked a very good question. This is fairly technical, so I'm going to simply read from what's been provided for me so I don't do it wrong here.

There's several points. The amendment does not alter our responsibility and liability to the users of public highways. And secondly, the department does not have a mandate to provide the public with what are essentially recreational purposes. And lastly, the purpose of the amendment is to ensure that these recreational purposes and the liability that can arise does not force the Department of Highways and Transportation to divert its resources from highways to those recreational purposes.

Mr. Elhard: — Mr. Chairman, as a follow-up then, can I assume the department will take the same view of this with relationship to dirt bikes, motorcycles that might end up travelling in the ditch for some reason, farm machinery that might operate in the ditch, any similar types of examples.

Hon. Mr. Sonntag: — The answer is yes. And I'm just told, as an example, the Trans Canada Trail would be another example of that.

Mr. Elhard: — I'd like to move on to the next section if we could. Section 4 has been amended in a couple of instances here. And in section 4 . . . I think it's (1)(g), it says that we have an addition here. It's added after the clause 4(1)(g). And I'm curious, having read this addition several times, is this solely to facilitate voluntary arrangements with municipalities, or is it the thin edge of the wedge, preparatory maybe to wholesale downloading at some point?

The Deputy Chair: — Why is the member on his feet?

Mr. Kasperski: — With leave, Mr. Speaker, Mr. Deputy Chair of Committees, to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Kasperski: — Thank you, Mr. Chair of Committees. It's my pleasure to introduce to you and to members and to colleagues, a group of citizens from the Ukraine who I just met a few minutes ago when I was in the Legislative Library.

They are a group that are connected with the Canada-Ukraine forage project and they're from across Ukraine. I know one of the individuals is from an area not too far from where we're from.

But anyway, I'd just like all of us here to welcome them this afternoon. Bitamo.

Hon. Members: Hear, hear!

Bill No. 49 — The Highways and Transportation Amendment Act, 2000 (continued)

Clause 1

Hon. Mr. Sonntag: — There is nothing forced here or any thin edge of the wedge for any way, shape, or form. This is entirely on a consensual basis, and also applies to First Nations reserves as well.

Mr. Elhard: — I think at some point or other in our conversations in this House or privately, you have referred to situations where you have discussed these types of arrangements with other municipalities throughout the province, or Indian bands.

Can you give me some examples of where this type of arrangement has worked, where it's been successfully concluded, and some of the other areas you might want to pursue? Have you got ongoing negotiations happening with other municipalities or bands?

Hon. Mr. Sonntag: — One example that we have would be near Lampman where the department wishes to transfer responsibility for a portion of Highway No. 361 as a new route that has been built. The adjoining municipalities have all agreed to the transfer, and the existing rural . . . municipal legislation makes them responsible for roads that are not designated as provincial highways.

Mr. Elhard: — Mr. Chairman, as part of the explanation that came with the Bill itself, it talks about the amendment also contemplating agreements between the minister and private companies on transportation issues. Are you looking to privatize more of the transportation system? What have you got in mind when you describe these types of agreements?

Hon. Mr. Sonntag: — In this amendment there is no agenda for privatization. But an example would be where a shortline railway has been created under the . . . as a corporation. That's where it would apply.

And also, I understand, it could apply as well where authority for the management of a local airport is now under the . . . also under the umbrella of a corporation and is managing and operating a local airport. That's where this amendment would apply.

Mr. Elhard: — Mr. Chairman, Mr. Minister, you mentioned an agreement involving several communities in the Lampman area. I don't know if I missed it or if you didn't tell me, but can you be more detailed about the substantive nature of that agreement. What does it involve precisely?

Hon. Mr. Sonntag: — If the member's willing, we would undertake to provide the details of that agreement. We don't have it here. All I can tell you is we understand that all of the local governments are in agreement in wanting this to take place.

We can provide the details for you, but we don't have them here today . . . if that's okay.

Mr. Elhard: — Mr. Chairman, moving on to clause 4(1)(h), according to this Bill, that clause is repealed entirely and is substituted with a new clause. And I'd like to ask how this one is substantially different from the clause that was removed. What is included in this particular clause that makes it specifically different?

Hon. Mr. Sonntag: — I don't know whether this will answer specifically what the member is asking, but let me try this. The revised clause is needed as public improvements like airports and railways are devolving into private hands which gives rise to new forms of partnerships between the department and the owners and operators, and that cannot currently be accommodated under the existing provision.

(1645)

Mr. Elhard: — Mr. Minister, can I take from your comments then that you're trying to adjust the legislation to accommodate what has happened, not to anticipate future changes. Is that the intent here?

Hon. Mr. Sonntag: — Essentially the answer to your question is yes. We're trying to anticipate changes that are occurring. It's not being driven by the legislation. We're trying to adapt the legislation to accommodate the changes that are taking place and that we anticipate taking place into the future.

Mr. D'Autremont: — Thank you, Mr. Chairman. I'd like to welcome the minister and his officials here today. I note that one of the officials is not properly attired as compared to the last time that he was in the Assembly. And perhaps the next time he could be here in the proper garb again. My question . . . and I'll allow the official to explain that to the minister.

Mr. Minister, I would like to go back to clause 4(1) that my colleague was addressing earlier. I wonder if you could explain why this change is necessary. This is the change that allows the government to download its responsibilities onto the municipalities or onto Indian bands. Why do you feel this clause is necessary to have in the Act, and what are you changing it from?

Hon. Mr. Sonntag: — The amendment only allows for agreements that are entirely consensual. And so under the old legislation even if there was an agreement between the department and/or the example you used, a First Nation, even if there was an agreement, the old Act wouldn't allow for that agreement to take place.

Mr. D'Autremont: — Why do you feel it's necessary to make that change, Mr. Minister? And I note you refer to First Nations, but the Bill itself says Indian band. Perhaps you can explain why the difference in terminology if you want to. It's not important. It still doesn't explain though why you feel it's necessary to have this in place.

Hon. Mr. Sonntag: — First of all in response to your first question, there's no distinction at all from the legislation perspective about whether it's First Nations or Indian bands. So I'm meaning exactly the same thing in saying that.

The rationale for this is as transportation is evolving quickly

across this province and across this country, we think we need to adapt. As an example in the province here we've created, in partnership with local governments, nine different area transportation planning committees. And those committees need to be able to have the flexibility to come up with unique arrangements around transportation that best suit the needs of their particular area or region. And we think this amendment that you're questioning us about provides one little piece of assistance to them in that regard.

Mr. D'Autremont: — Well, Mr. Minister, I share my colleague's concern that this is simply opening up the door to allow the province to download its responsibilities onto the municipalities. Yes, today it may very well be on a voluntary basis. But we have certainly seen this government operate in a manner that it could quickly change that opinion and download these without having the municipalities voluntarily accepting that responsibility.

We have seen your government deem certain things to have happened. We have seen them change contracts. Even though at the time of the change of the contract it was clearly against the law, it didn't stop you from doing so. You went ahead and did it and then retroactively brought forward legislation to make the breaking of that law legal.

So I don't think that your assurance that this is voluntary is any comfort to any municipality across this province. If you want to enter into a contract with the municipality to provide services for a particular piece of road or provide some sort of maintenance or any other type of service, you can certainly do so, I believe, under the current legislation. But to be able to download that responsibility in its entirety onto that municipality, I don't think is acceptable, Mr. Minister.

You currently have the ability to absorb highways into the highway system . . . roads into the highway system for municipalities. Is there any legislation in place today that would allow you to download or to transfer responsibility of a particular piece of road without this clause being changed?

Hon. Mr. Sonntag: — First of all, let me reiterate that this amendment speaks only to consensual arrangements where it's entirely voluntary.

If that were to change in any way, it would have to come back to the Assembly for a legislative change for it not to be volunteer. So it would have to come back to this Assembly if there were any other arrangements other than voluntary or consensual arrangements.

With respect to the second part of your question, we're not aware of any situation where legislation would allow for it to be downloaded without agreement.

Mr. D'Autremont: — What is the legislation in place then, Mr. Minister, for the Department of Highways to take over a piece of road from a municipality?

Hon. Mr. Sonntag: — If you're asking, does the province have the jurisdiction to take over roads, the answer is yes, but that's not what this legislation is about.

Mr. D'Autremont: — Thank you, Mr. Minister. Yes I recognize that that piece of legislation is not being discussed today. But if you have that legislation in place to be able to take over a municipal road into the highway system, is that strictly a one-way valve in that case? Or does that particular piece of legislation allow for the transfer back from the Department of Highways to a municipality?

Hon. Mr. Sonntag: — That's the purpose of this legislation — is to allow where there is agreement to transfer back to Indian bands or to a municipality.

As an example — maybe I can be clear by using an example — in working with local governments, if as an example we wanted to create a heavy haul route to take heavy vehicles off of a thin membrane surface road, we could work with municipalities to describe a route, and with it, could come some of the funding that would ordinarily be used in the thin membrane surface road. But all of these would be separate agreements and arrangements, and they would have to be all entirely voluntary and consensual.

But that's the purpose of the legislation. And it's not, under current legislation, it is not . . . there is no ability for the province to transfer any routes, even when voluntary, back to local governments or to Indian bands.

Mr. D'Autremont: — Thank you, Mr. Minister. From your example that you gave though, it sounded to me like in that case the road would already be in the hands of the municipality, and you would be entering into an agreement with them to designate a particular road or series of roads as a heavy haul road that you could in turn transfer some financial resources to maintaining from the provincial side to aid both your thin membrane surface that you're trying to protect and to compensate the municipalities for those services.

There is no . . . This Act then would not be necessary in my opinion because that clause talks about — or at least this clause would not be necessary — because it talks about the transfer to the municipality of responsibilities respecting maintenance, direction, management, or control.

So why in your example would there be a need for this particular clause? Could you not simply enter into a contract with the municipalities to provide some additional supports for those heavy-haul roads?

Hon. Mr. Sonntag: — Every situation will be unique and that's why we're trying to design legislation that will be very flexible in anticipation of even further changes in transportation. You are correct in describing the scenario that would allow for us to provide funding, as an example, to local governments on their own roads where we're trying to reroute heavy hauls, and we might come to that sort of arrangement.

But if I wasn't clear enough in my explanation, I was specifically talking about roads that are currently under the jurisdiction of . . . under the jurisdiction of the provincial system, that we would come to some arrangement — if they so wanted locally — to provide the roads for them and transfer ownership of the roads to them. Or in fact, I think in fact we could probably even exchange roads in some cases, if it was

desirable for the local governments or the Indian bands if that was an arrangement that was mutually acceptable.

Mr. D'Autremont: — Well thank you, Mr. Minister. I look at my own constituency and I don't know of a single highway that any municipality would want to transfer . . . want to gain control of because they simply are not in the shape that anybody would want to take over the responsibilities of them. No. 9, perhaps.

No 9, although it's getting choppy, it's certainly not getting full of potholes. And most of No. 18 is in good shape in our constituency. Although once you get further west of my colleague's constituency, No. 18 is . . . well in your own terms, it's fit to be turned back to gravel. Some of it already has been.

But I certainly do have a number of highways in my constituency, Mr. Minister, that are in terrible shape and have been basically abandoned by the Department of Highways. And No. 8 is the prime example, Mr. Speaker, from the border at the US (United States) all the way to Moosomin.

(1700)

I was down to a Memorial Day service in Sherwood, North Dakota, which is right across the border from No. 8. The best highway in western North Dakota comes through Sherwood — they have six inches of pavement on that road. And you cross the border, and if you don't have a four-wheel drive, you can't drive on the road.

And people come up two miles and turn off and go onto the grids because that's the first access they have off of that highway. And it's simply atrocious, Mr. Minister. People want to go from Minot and the northern part of North Dakota up to Moose Mountain Provincial Park. You hear a lot . . . you used to hear a lot of advertising on Minot for the waterslides. People simply can't get there any more. And it really makes it difficult for the people up at Moose Mountain Provincial Park to operate their businesses when half of their traffic can no longer make it there.

And it's not just No. 8. We have 361, 318, 47, 48. They're all, Mr. Minister — and you know it very well — in terrible shape, just like every other highway around this province.

We're turning into a new millennium. We're going into a new century. But unfortunately our highway system is also doing that, but we're turning back to the 19th century.

And, Mr. Minister, I think it's incumbent on you to approach the Minister of Finance to do what needs to be done to rectify that problem in this province. That's your responsibility, Mr. Minister, and I'm asking you to live up to that responsibility.

Hon. Mr. Sonntag: — I'll just respond very briefly to say that we recognize the pressures on our infrastructure and on our road system, especially in the last few years, with the incredible changes in the traffic patterns and traffic flows.

That's largely why we've brought this legislation forward with some of the amendments, to I think be more adaptive and receptive to the changes that are currently taking place and the

changes that we anticipate taking place. And that's why, exactly why, we've got this legislation before the Assembly today.

Mr. Elhard: — Thank you, Mr. chairman. Mr. Minister, I noticed that the transportation partnerships fund is a big part of the amendments in this particular Act. And having reviewed the Act itself, I notice that there's not much new in terms of the name here — transportation partnerships fund — but I do notice that the entire section has been rewritten.

And when I got to the explanatory notes, it indicated that there were only two new provisions in this section — one saying that money will go into the fund if directed so by the Lieutenant Governor in Council, and secondly, a portion of money being repaid by shortline railway companies would also go into this fund.

Now if we only had those two additions to this particular section, why was it necessary to rewrite the whole section? What was accomplished by that?

Hon. Mr. Sonntag: — Largely, I'm told, it was a cleanup of the wording. It was very awkward to read and understand. And I'm told that the new amendment therefore does completely rewrite it as you describe it. And it's just simply to clean up the wording, primarily.

Mr. Elhard: — Mr. Chairman, I'd like to delve a little further into this section of the rewrite then.

Section (a) refers to monies that go into the transportation partnerships fund and it says, money "received by the minister pursuant to transportation partnership agreements;" specifically, as the first item there.

Would you be able to give us an example of one or two of those agreements that generate funds for this particular fund?

Hon. Mr. Sonntag: — We have a number of agreements with the mining industry and with the forest industry.

And if I can describe briefly the way the agreements work is we would, in an arrangement or agreement with a specific company, in exchange for allowing them to carry overweights or weights over the regular permitted amount, and without having to permit them each time, we would agree to an amount of efficiency gains that they would receive as a result of allowing them to go overweight. And then 50 per cent of those efficiency gains would be retained by the company, and 50 per cent of those efficiency gains would be paid into the transportation partnerships fund.

Mr. Elhard: — Thank you, Mr. Minister. Mr. Chairman, I'd like to follow up that particular example then. I know that you have conducted those kind of agreements with companies such as Federated Co-operatives, and I believe Sask Wheat Pool has a similar kind of agreement. Let me go to maybe a smaller type of situation that I'm wondering whether the department is interested in entertaining and what would happen.

It's been brought to my attention that there's a gentleman in this province who has a trailer that he uses to haul hay. And because the most common form of hay hauling now is in the form of

round bales, there's dimension requirements and safety requirements that are associated with hauling that particular commodity.

This particular individual has designed a solid form of support at the back end of his trailer and because of the shape of the bale, of course the support has to be rounded similarly. My understanding is, though, that because part of the curvature of that support extends a foot or so behind the end of the trailer, he's been deemed illegal to haul. But if I understand correctly also, he is saying that if he pays the Department of Highways 5 cents a kilometre he will be allowed to drive that particular unit on Saskatchewan roads.

Is that what you would consider to be a transportation agreement? Is that the kind of example that would fall under the purview of these types of arrangements? Or would that be deemed something else?

This individual frankly is very unhappy that he's being asked to pay that fee to allow him to operate. And I'm wondering if the department looks on that as just a normal way to conduct business, or whether it's not leveraging him, frankly, to allow him to conduct his business the way it needs to be done.

Hon. Mr. Sonntag: — I think there will always be anomalies. And I think the case of . . . the example that you provide is a bit of an unusual example.

But the carrier will have the choice — where it's over-dimensional or overweight — to permit individually each time or to enter into a partnership. And I don't know the case specifically that you're referring to, but I understand that probably that person has chosen to enter into an arrangement that would be a partnership as opposed to permitting each time.

But there will always be unique circumstances. And we try to design legislation that fits all but we're never successful usually in doing that.

Mr. Elhard: — I guess there is two parts supplemental to that question. I guess what I was wondering basically is as follows: are these partnerships agreements restricted just to larger operations or do they extend to the smaller operations? And if they do extend to smaller operations, is this the kind of example that would necessarily be included in these types of things?

What we've got here is an individual with a safety feature basically built into his truck to make the movement of bulk hay much more acceptable, I would think, in terms of safety standards. And yet he's being asked to pay a fee in order to accomplish that because of that safety feature extending out about a foot beyond the length of his trailer.

So it's a two-part question: do small operations qualify for these partnership agreements, and do they necessarily have to always contribute funds back to the department?

Hon. Mr. Sonntag: — Okay, first of all, the agreements are not restricted, not restricted to just large shippers or carriers, although for all intents and purposes they largely are with larger carriers; although they're not restricted to large carriers.

The fees will always vary by agreement, and my official just suggested, if in this particular case you would want to meet with them about that — about the specific case that you described — he'd be more than happy to. Because there will always be new and developing technologies as well that we as a department would be interested in. So we'd be only too happy to look at that specific case that you've described here today.

Mr. Elhard: — Thank you, Mr. Minister, Mr. Chair. Further to this particular line, if an individual owned three livestock hauling units and contracted with a Hutterite colony for instance, or some other large hog barn, to move their hogs on a regular basis — weekly or monthly, whatever the arrangement might be — but it required them to be overweight for part of their run before they got to a primary highway, is that the kind of arrangement the department would be willing to entertain in terms of one of these partnerships? Some provision that would allow them to run overweight on the grid road or the rural road until they hit a primary highway?

(1715)

Hon. Mr. Sonntag: — I think the short answer to your question is yes, we're prepared to look at any arrangement. But obviously, I mean it would have to be practical for the shipper or carrier and for the department. I don't think we'd want to get ourselves into a situation where we had literally thousands of arrangements and absolutely impossible to administer because we just . . . I mean, the department wouldn't have the capacity. But I mean we're very open to looking at any arrangement.

Mr. Elhard: — So, Mr. Minister, could I ask: is there a dollar value associated with the practical quote, "element" of these agreements. I mean is there a minimum value of some sort that you might want to consider?

Hon. Mr. Sonntag: — No, there isn't, there isn't right now. The program is still obviously evolving. It's very new, and I mean maybe there would be a time when we would want to look at establishing a dollar value, but right now there isn't.

Mr. Elhard: — Mr. Chairman, I want to move on to the second part of this rewrite on the transportation partnerships fund. In clause 4(b), it's talking about the terms and conditions:

. . . the minister may use the Transportation Partnerships Fund to do any or all of the following:

And specifically, it refers here to:

develop, promote, market, and provide transportation technology, expertise, goods and services inside and outside Saskatchewan;

That's a fairly wide-ranging mandate, I would say, and I'm interested to find out that the Department of Highways, frankly, is in that business of developing, promoting, marketing, and providing expertise goods and services both in and out of the province.

So I would ask the minister if you could give me an account of what exactly the department does in that regard and tell me what products, technology, goods and services that the

department is looking to develop, promote, and market?

Hon. Mr. Sonntag: — Let me just explain briefly. But first of all, if the member's of a view that there's some change here, there's not; it's exactly the same. There's nothing changed in the new legislation, okay.

Some examples of the technology would be central tire inflation. The department's been working with central tire inflation where low pressure tires are believed to cause less damage to the roads. International Road Dynamics, IRD out of Saskatoon has a system that they're working on and developing. GPS, which is a Global Positioning System which can monitor speeds and volumes of traffic which obviously will have impact on our road infrastructure.

Certainly there's a lot of work taking place right now with respect to border crossings which would be of immense interest to especially trucking firms where you could electronically monitor vehicles as opposed to having them specifically stopping.

I know at the sixth annual international symposium, that is just I think probably winding up today in Saskatoon, there is a lot of this technology that people from across the world are here in Saskatchewan looking at. One of the ones that was of particular interest to me that our province is not yet very involved in this, although we have been doing a little bit of preliminary work with it, is high speed weight of vehicles.

So a semi could . . . a large tractor trailer could be driving at almost regular road speeds and be weighed as they're going by and they would essentially, they would essentially be classed so that if they never had any incidents of overweights they would be allowed to use the high speed weight each time with almost never being pulled in on random selection. This is being used in the States and other countries right now. And obviously time to shippers is money, so a weight system like this would be something that they'd be very involved in.

We are only involved at the very beginning stage of those such things, but that's some of the technologies that we're talking about in the legislation.

Mr. Elhard: — Mr. Chairman, further to that. Is the Department of Highways actually invested in as a partner, as an active partner, in pursuing some of these technologies? Do we have public money invested in, for instance, the Saskatoon firm that is developing GPS technology?

Hon. Mr. Sonntag: — With respect to the example I used of Global Positioning System, that technology has not yet been proven; I think it's very close to being proven. So the province hasn't put any money into that, although we certainly have been working with the . . . this specific company that I described, but there's been no provincial dollars put into that yet.

The one area that we have put money into through the partnership fund — if you're describing that as public money, which I would — then it . . . we have, into the research on the central tire inflation project that I described earlier.

Mr. Elhard: — I noticed, Mr. Minister, that you used the term

“yet” when you described the GPS effort that’s being undertaken. Does the department intend to invest in that? I don’t think there’s any question about whether GPS technology will be a fact of the future, I think it’s already a fact in many vehicles right now.

Hon. Mr. Sonntag: — I used the term “yet” specifically for a reason and that is once the technology is proven, it would be, absolutely it would be our intent to put money into it. We believe that that kind of technology would be technology that would in the . . . I was going to say long term, but probably even in the short term prove to be cost-effective for the taxpayers of Saskatchewan.

If we can ensure through new technology that vehicles are not travelling overweight or over speed without having huge numbers of people out monitoring it, then I think that’s a good investment for the people. And absolutely, if once it’s proven, we are committed to putting funding into that.

Mr. Elhard: — Mr. Chairman, I understand the minister’s response and in some ways I’m quite sympathetic, but on a philosophical side, I’m a little concerned about that kind of technology. That sounds a little bit too much like Big Brother watching from that eye in the sky.

Nevertheless, let’s move on to another area of this particular rewrite. Section 4(d) refers to monies being paid to the advisory committee that had been appointed, and I’d like to know a little more about this advisory committee. I see later on that it refers to six persons, of whom not more than three may be employees of the Crown.

Would you tell me about the committee. Can you give me the names of the people on that committee, and exactly what kind of advice do they give you in terms of the transportation partnerships fund?

Hon. Mr. Sonntag: — Okay, I hope we get all of this accurately. First of all, just with respect to the Global Positioning System and your concern that you identified just from the last line of questioning, this would all be voluntary, as we’ve described even in the other parts of the legislation.

And it would be shippers and carriers that would see this as an opportunity to find and create greater efficiencies by using the new Global Positioning System. And obviously those efficiencies would be paid into the partnership fund, and that’s largely why it’s being designed. So it would be good for them and for us.

Now with respect to the creation of the committee, I’m understanding that there is no change in the wording at all right now, the logic for the creation of the committee.

And first of all, let me backtrack a little bit. Obviously the members will have to be paid at whatever rate members ordinarily are paid for serving the public of Saskatchewan. So they will be paid a logical per diem and expenses.

But what we’re trying to achieve in setting up this committee is to find people that are, first of all, most affected and most knowledgeable in the area of transportation in Saskatchewan

and how it might affect . . . how it might have impact on our economy.

And I don’t yet know the members of the committee like that, but those are the sorts of people that we’re looking for.

Mr. Elhard: — Mr. Chairman, I guess it would be of interest to me, and maybe to the House as a whole, if you could delineate the responsibilities of that committee. Are they going to be in fact the decision makers in terms of which partnership plans or proposals are acceptable and which ones are not?

(1730)

Hon. Mr. Sonntag: — Yes, this committee would not be the decision-making body, they would be advisory, as I think is described under the legislation. And they would hopefully provide for us . . . Hopefully they will be made up of the most knowledgeable people that we can possibly find, and would provide advice to the department about where we would invest this money best in the infrastructure that currently exists.

Mr. Elhard: — Mr. Chairman, the legislation says that of that six-person committee, three may be employees of the Crown in right of Saskatchewan. Are we talking about employees of the Department of Highways, or are we talking about employees of other government departments?

Hon. Mr. Sonntag: — That would be the current intention. I can tell you that one of the people most logically would probably be the deputy minister of Highways. The current intention is to have the other two probably from the department.

But I don’t think . . . I’m told that the legislation wouldn’t necessarily require them to be from the department, but that’s the most logical choice right now.

Mr. Elhard: — Can I just return briefly to the GPS issue that we were talking about earlier.

I understand that there has been considerable attention and development to this particular type of technology by private industry, particularly in the United States, and some of it actually done extensively here in Canada.

Is there a specific purpose that the Department of Highways, and by extension the Government of Saskatchewan and the people of Saskatchewan, is there a specific purpose that can be played by us getting involved in that particular technology when you consider the fact that the private sector has really developed an extensive capability in that regard already?

Hon. Mr. Sonntag: — I think one of the things I want to do is clarify with respect to the makeup of the board, because we’re just discussing here and we think that we may have misled you, although maybe not . . . (inaudible interjection) . . . No.

The board makeup right now that we would start with will be with four members, with the ability to expand to six. But the board makeup at the beginning will first of all include three people from the private sector, and the fourth person that we would begin with would most likely be the deputy minister of Highways and Transportation.

Now if we wanted to expand it, then the next two logical people would be . . . if we expand it to six, the next two logical people would be probably from the department, although it doesn't have to be. But the beginning, it would be made up of three from the private sector and one from the department, the deputy minister.

Now with respect to the question about the technology and why the province or the department become involved, I mean we compliment the private sector for the wonderful technology that they're developing in transportation. The province thinks it's important that it should be involved because . . . Then often the private sector will want the department and the province to be involved.

We think it's important around issues of safety and around lots of the examples that I used around finding efficiencies that will sustain our infrastructure longer. So that's why we think the province needs to be involved. But clearly the private sector is critical in this development.

Mr. Elhard: — Mr. Chairman, could we characterize the province's development then, most interested in the area of policing, looking after the resources of the province and the road infrastructure as opposed to the efficiencies that might be gained by the trucking industry?

Are you looking primarily at efficiencies that can be gained for the Department of Highways or the Highway Traffic Board generally in terms of that industry?

Hon. Mr. Sonntag: — No, I don't think it's fair to characterize it that way. I think what we're really . . . we're primarily looking for is the issues around efficiencies around public transportation and safety. Those would be our higher priorities.

Mr. Elhard: — Mr. Chairman, I'd like to . . . in this regard, in this particular section of the Act, the rewrite here, the amendments, I have encountered some confusion in terms of who's calling the shots in controlling the particular fund, the partnership fund.

In some instances I see where the responsibility for control of the fund is dedicated to the minister himself. But in other areas I get the impression that the Minister of Finance or the Treasury Board has more pertinent control. So I'd like the minister to explain to me if he could or would, who is ultimately in control of this partnership fund?

Hon. Mr. Sonntag: — In any expenditure of public funds, we would want to be as accountable and transparent as we possibly could be. And every situation will probably vary a little bit. But it's a very good question. Ultimately, we would be of the view that it would be the minister of — ultimately — the Minister of Highways and Transportation.

Mr. Elhard: — Mr. Chairman, in the interest of time, I'm going to move on a little further in this particular effort here today.

I'd like to move to section 18, amended as follows. And it has to do with expropriation and I think you're changing the word . . . or adding the word, take possession, instead of — no, not instead of — after the words, enter on. And I looked at your

explanation here and I'm a little bit concerned here.

Basically as I understand it, this particular provision allows the department to undertake whatever project it is going to do; it's allowing the department to get on with its job before the expropriation proceedings have ended.

And I'm wondering if that isn't just a bit presumptuous. Whether in terms of expropriation, which can often be a pretty difficult process for the people involved — whether it's the department or the landowner — whether it wouldn't be wise to allow that particular process to be fully completed, maybe all the legal remedies that are available to the landowner be exhausted before the department actually undertakes its work. Is this not a bit presumptuous on the part of the department?

Hon. Mr. Sonntag: — I'm told I can blame the lawyers and any chance I have to do that I maybe should . . . I have the protection of the Chamber by doing that here today.

No, there was a mistake made in 1997 with apparently that section being removed. So it's a re-establishment of the section around expropriation.

And I think just generally, expropriation is always done only in the public interest. I would hope there isn't a time when expropriation is used in a heavy-handed way.

It will always be difficult for the individual affected, but expropriation is always for the general good and not for the department or for anyone else specifically.

Mr. Elhard: — Mr. Chairman, since we have the benefit of legal counsel here maybe they could tell me, is it not possible that somebody on appeal could override an expropriation order? And if that is possible, is it necessary for the department to have the privilege or the right to embark on a project prior to that happening?

Hon. Mr. Sonntag: — I'm told it is possible but it would have to be shown or proven that the expropriation that took place was outside of the department's jurisdiction when that expropriation took place.

Mr. Elhard: — In the interest of time, I think we'll conclude our questions. Thank you very much to the minister and to his officials.

Clause 1 agreed to.

Clauses 2 to 14 inclusive agreed to.

Hon. Mr. Sonntag: — Again, Mr. Chair, I want to take the opportunity to thank my officials for assisting me here today and to thank the member and members opposite for their very thoughtful questions.

And I would therefore move Bill No. 49 without amendment.

The committee agreed to report the Bill.

(1745)

THIRD READINGS

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

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

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

Bill No. 14 — The Film Employment Tax Credit Amendment Act, 2000

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

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

Bill No. 22 — The Local Improvements Amendment Act, 2000

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

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

Bill No. 23 — The Planning and Development Amendment Act, 2000

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

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

Bill No. 6 — The Mentally Disordered Persons Amendment Act, 1999

Hon. Mr. Axworthy: — I move that the amendments be now read the first and second time.

Motion agreed to.

Hon. Mr. Axworthy: — By leave . . . It says either/or, Mr. Speaker, I picked the wrong one. Mr. Speaker, by leave of the Assembly, I move that the Bill be now read the third time and passed under its title.

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

Bill No. 16 — The Justice Statutes (Consumer Protection) Amendment Act, 2000

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

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

Bill No. 31 — The Police Amendment Act, 2000

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

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

Bill No. 34 — The Saskatchewan Evidence Amendment Act, 2000

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

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

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

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

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

Bill No. 61 — The Engineering and Geoscience Professions Amendment Act, 2000

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

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

Bill No. 49 — The Highways and Transportation Amendment Act, 2000

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

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

COMMITTEE OF FINANCE

**General Revenue Fund
Economic and Co-operative Development
Vote 45**

The Deputy Chair: — I'd like to invite the Minister of Economic and Co-operative Development to introduce her officials.

Hon. Ms. MacKinnon: — Thank you, Mr. Chair. On my left is Larry Spanier, the deputy minister; next to Larry is Debbie Wilkie, who is director of marketing and corporate affairs. On my right is Bryon Burnett, who is the assistant deputy minister of operations. Behind Bryon is Bob Hersche, executive director of policy and planning; and behind me is Donna Johnson, executive director of corporate management. And we have Rob Greenwood, who's the assistant deputy minister of policy.

Subvote (EC01)

Mr. Wakefield: — Thank you, Mr. Deputy Chair of Committees. Madam, Madam Minister, I want to welcome again your officials. We've had a chance to meet a few times before.

Since we've had, Madam Minister, some time before to go through several of the questions, I'm going to — in the interests of time — try to zero in on one or two of the items that are still outstanding in my mind. And I would . . . hopefully we can get those items covered in the time that we have left.

The first question then, Madam Minister, is looking at the — and this is about where we left off — we were looking at the annual report of SOCO, the Saskatchewan Opportunities Corporation. And a couple of things that really stuck out, as I mentioned before — this one in particular I'd like a comment on if I could, Madam Minister.

This is the item regarding the Regina Motion Picture, Video & Sound. From what I see here, the Regina Motion Picture, Video & Sound has received a considerable loan from SOCO. I've also noticed in the records that the president and CEO, Mr. Zach Douglas, is a director. He's also one of the shareholders.

Can you assure me that there was no conflict of interest when this loan was approved by the SOCO board?

Hon. Ms. MacKinnon: — Mr. Chairman, yes, I'd be pleased to answer that. Zach Douglas was never a shareholder. He was only on the board because of . . . by virtue of our investment. Sometimes if we make an investment, part of the terms of the investment are we get representation on the board.

He is no longer on the board, and the current CEO is also no longer on the board.

(1800)

Mr. Wakefield: — Madam Minister, just to confirm that — Zach Douglas was not a shareholder of that company? The information I have has him listed as a shareholder.

And subsequent to that, Madam Minister, there's another two companies that received loans of, one, \$450,000 and one 350,000. The first one is Bear Necessities Productions Inc., the other one is Northwest Pictures Inc. And I'm wondering if Mr. Douglas was a shareholder of those companies as well, and was he involved in the decision, because they're subsidiaries of Regina Motion Picture.

Was he involved in the decision to allocate money to those as well?

Hon. Ms. MacKinnon: — Well, Mr. Chairman, to make a point I made before, he was never a shareholder in any of these companies. It would be a total conflict of interest to be a shareholder in a company that you were making decisions about, in terms of loaning money to that company.

Sometimes part of the undertaking, if you have an equity investment in a company, part of the equity investment, part of

the terms of the equity investment is that you get representation on the board.

So if they sit on the board it's because that was part of the agreement with the company, that we get board representation, because we want to see what's going on. And then at some point, in the case of the first company mentioned, we're satisfied that our interest is being protected, so we no longer have board representation.

But it's not that person as an individual, it's that person as CEO. SOCO, they're representing SOCO, and it was part of the deal that was signed with the company.

Mr. Wakefield: — Thank you, Madam Minister, Mr. Chairman. Now I recognize that being on the board is not an unusual occurrence in situations like that. But let me . . . another area that I wanted to look at, and this again is still under the SOCO portfolio. And this was a company called Unitec — Unitec International. And I think we just started talking about that one at the last time.

And I think your response at the time was that Unitec International has — and I think you indicated — has set up an office in Saskatchewan, or plans to do that. Is that correct?

Hon. Ms. MacKinnon: — Yes, that's correct. In Regina.

Mr. Wakefield: — Madam Minister, the amount of money that is going to Unitec is listed as \$2 million, I think on a loan basis. And I was curious because this particular company is headquartered in British Columbia. When I was looking at some of the records I found that there was money loaned to this company over a period of time. Could you tell me when the different loans were approved and allocated to Unitec?

Hon. Ms. MacKinnon: — Mr. Chairman, yes, to the member opposite, I'd be pleased to answer that. The original approval was August 10, 1998; SOCO approved a \$2 million investment in Unitec, and then the money was disbursed over a period of time, which is not uncommon. You approve in principle the idea of a \$2 million investment, but the money is disbursed as the company meets the requirements of the different stages of development.

So it goes from August '98, and then Thursday, June 22, 2000, Unitec closed the day . . . or this is the trading of the shares today. So it went over a period of time.

Mr. Wakefield: — Thank you, Madam Minister. Mr. Deputy Chair, I guess the concern that I have in this particular company, when I looked at this — and this was I hope not an example of all of your investments of SOCO corporation — but I noticed from their annual report of 1999 that their current assets have diminished to 1.665 million from 2.5 million the year before. This was November 30, 1999.

I also noticed that the current liabilities had increased considerably during that period of time, and I also noticed that there was revenues of only 1,061,000 during that period of time.

I guess my question here is that the statements are indicating a very poor return, a very poor operation, and yet in the . . . the

last advance of your \$2 million loan occurred in early, I believe . . . or late 1999 or early 2000. It would seem to me that that is not good stewardship of a company.

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite, a couple of comments.

First of all, they're current with all their obligations. And we monitor a company like this carefully. This is a cyclical industry; it goes in cycles. And so it depends. They may land a very big contract and all of those numbers change very dramatically.

So what you find with . . . you've got to remember, if SOCO's involved in these companies it's because they are higher risks than what the banks or credit unions will entertain. And actually just this week I met with the CEOs of these companies from across Canada. And the one from Alberta, as I mentioned in the House, is much more open in its criteria than we are.

So we're quite careful about who we lend to, but they tend to be riskier so they will go in cycles. It's not uncommon for a company to go through a cycle which is a difficult cycle, then they get the product out, they land a series of big contracts, and those numbers change over time. But from our records they're current and we don't have them on watch or anything at this point.

Mr. Wakefield: — Madam Minister, that is somewhat troubling to me. I noticed from their president's or the Chairman's message that there was investment in Indonesia at a time when the market in Indonesia was certainly very risky.

I noticed also that under the section bad debts, for 1999, it was \$481,000 with only revenue of 1 million. To me there should be red flags going up everywhere in this particular company. And when you look at the debt-to-equity ratio it's a way out of whack.

I guess, Madam Minister, my question would be: these red flags should have caused, I believe, some further investigation into this company. And who was responsible for continuing to put money into this company? Was it the board? And how was the Chairman of the board . . . no I'll leave it there. How was this decision made, based on that kind of information?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite: we are now going into territory where I'm not prepared to go. Companies have a right to a certain amount of confidentiality about their business activities. And we are not here to manage their companies. We're not here to say sorry you can't invest there, you shouldn't be doing this.

All I can say is that these folks monitor these investments on a regular basis. This company is current. There is no suggestion that they are behind in any of their commitments or the commitments that they made to us when the money was lent.

And to go further is way beyond the scope and I'm not going there. I'm not getting into, in the legislature of the province of Saskatchewan, taking a company and going through details that shouldn't be before the legislature. It is current.

Mr. Wakefield: — So, Madam Minister, it's probably current, but we are talking about public money here that was loaned through SOCO, which is a responsibility of your department. And the numbers that I'm quoting are not private numbers; they're not confidential numbers. They're numbers that are obtained through the yearly disclosures by these companies.

It just seems to me that the monitoring of this was a bit, maybe . . . it should have been — I'd better word this plainly — these red flags should have caused some concern, that apparently you're assuring me that are not of concern.

And I wanted to know, Madam Minister, the president and CEO, when did he leave the position as president and CEO of Saskatchewan Opportunities Corporation?

Hon. Ms. MacKinnon: — Mr. Chairman, to the member opposite — Zach Douglas left March 1, by the way — what you have to look at when you're looking at what occurs in an organization, is its track record.

And what I'm saying to the member opposite is this. This organization has lent \$37.7 million over the course of the period of time since it's been created. The loss is \$50,000. They've lost 50; that is, they have had one bad account to the tune of \$50,000.

If you took any private-sector lender and said here's the track record, I wouldn't be questioning these people on where they are with a particular account — and it's not appropriate anyway — but I wouldn't be because I'd say, the track record here is that you look like you are pretty diligent and doing your job. This would be better than a lot of banks and a lot of credit unions in terms of that track record.

So then to return to your question, March 1 was when Zach Douglas left.

Mr. Wakefield: — Thank you, Madam Minister, and I appreciate that assurance. I hope that these accounts, in fact, are as secure as you have led us to believe here.

In the interest of time, I have no further questions. And I would like to thank you and your officials for helping me out, clarifying these particular points. Thank you.

Subvote (EC01) agreed to.

Subvotes (EC02), (EC05), (EC07), (EC06), (EC13), (EC12), (EC04), (EC11), (EC09), (EC10) agreed to.

Vote 45 agreed to.

**General Revenue Fund
Lending and Investing Activities
Economic and Co-operative Development
Vote 167**

Subvote (EC02) — Statutory.

Vote 167 agreed to.

**General Revenue Fund
Lending and Investing Activities
Saskatchewan Opportunities Corporation
Vote 154**

Subvote (SO01) — Statutory.

Vote 154 agreed to.

Hon. Ms. MacKinnon: — Thank you very much, Mr. Chair. I'd like to thank the officials and I'd like to thank the member opposite for some very good questions. I think over the course of this we've had some good exchanges. So I thank you very much and I move the committee rise and report progress and ask for leave to sit again.

The committee reported progress.

The Assembly adjourned at 6:19 p.m.

TABLE OF CONTENTS