

The Assembly met at 13:30.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Kwiatkowski: — Thank you, Mr. Speaker. I rise to present a petition on behalf of residents of Saskatchewan concerned about the exorbitant increases with long-term care fees. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increase for long-term care services in Saskatchewan.

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

And, Mr. Speaker, it looks like this petition is signed by the entire duly elected council of the RM (rural municipality) of Bjorkdale No. 426.

I so present.

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to present a petition on behalf of citizens of the province, honourable citizens of the province, who would like to see all 49 recommendations of the Committee to Prevent the Abuse and Exploitation of Children Through the Sex Trade implemented. 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 immediately implement all 49 recommendations of the final report as submitted by the Special Committee to Prevent the Abuse and Exploitation of Children Through the Sex Trade.

And the signators on this petition, Mr. Speaker, are from Macoun, Biggar, and Spiritwood.

I so present.

Mr. Gantfoer: — Thank you, Mr. Speaker. Mr. Speaker, I rise on behalf of citizens concerned about certain provisions in the tobacco legislation. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately amend tobacco legislation that would make it illegal for anyone under the age of 18 to be in possession of any tobacco products; and furthermore, anyone found guilty of such an offence would be subject to a fine of not more than \$100.

Signature on this petition today, Mr. Speaker, are from the communities of Star City, Gronlid, Debden, and Melfort.

I so present.

Mr. Bjornerud: — Thank you, Mr. Speaker. I also have a

petition to present. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to work with the federal government, First Nations representatives, and with other provincial governments to bring about a resolution in the Lake of the Prairies situation and to ensure that our natural resources as a whole are used in a responsible manner by all people.

The signatures, Mr. Speaker, are from the communities of Churchbridge, Esterhazy, Binscarth, Langenburg, and Gerald.

Mr. Stewart: — Thank you, Mr. Speaker. I rise to present a petition signed by citizens concerned with crop insurance premium hikes and coverage reductions. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to halt its plan to take money out of the crop insurance program and hike farmers' crop insurance premiums while reducing coverage in order to pay off the provincial government's debt to the federal government.

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

Mr. Speaker, this petition is signed by individuals from the communities of Parkbeg and Mortlach.

I so present.

Mr. Elhard: — Thank you, Mr. Speaker. I too rise today to present a petition asking that crop insurance premium hikes and coverage reductions be eliminated in this year's contract. The prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to halt its plan to take money out of the crop insurance program and hike farmers' crop insurance premium rates while reducing coverage in order to pay off the provincial government's debt to the federal government.

As in duty bound, your petitioners will ever pray.

The signatories to this petition, Mr. Speaker, are producers and other interested parties from the community of Eastend.

I so present.

Mr. McMorris: — Thank you, Mr. Speaker. I'm very glad to be able to rise and stand in the House today to present a petition on the terrible shape of the highways in our province. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to make the necessary repairs to Highway 35 in the Indian Head-Milestone constituency in order to prevent injury and loss of lives and to prevent the loss of economic opportunity in the area.

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

Mr. Speaker, this petition is signed by people from Regina, Weyburn, Francis, Qu'Appelle, and Bulyea.

I so present.

Ms. Bakken: — Thank you, Mr. Speaker. I rise today to present a petition on behalf of citizens of Saskatchewan who are concerned about the long-term care fees. Ad the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

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

And the petition is signed by residents of Weyburn, Moose Jaw, and Lang.

I so present.

Mr. Wall: — Thank you, Mr. Speaker. I rise again on behalf of concerned citizens in Swift Current regarding the issue of increases to long-term care fees. And the prayer of their petition reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increase for long-term care services in Saskatchewan.

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

Mr. Speaker, the petitioners today are from the city of Swift Current.

I so present.

Mr. Brkich: — Thank you, Mr. Speaker. I have a petition here of citizens concerned about the tobacco legislation.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately amend tobacco legislation that would make it illegal for anyone under the age of 18 to be in possession of any tobacco products; and furthermore, anyone found guilty of such an offence be subject to a fine of not more than \$100.

As in duty bound, your petitioners will ever pray.

Signed by the citizens from Chamberlain, Regina, Aylesbury, and Saskatoon.

I so present.

Mr. Weekes: — Thank you, Mr. Speaker. I also rise today to read a petition from citizens concerned about the unreasonable annual deductible amount for prescription drugs. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reinstate a reasonable annual deductible amount for prescription drugs in Saskatchewan.

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

Signed by the good citizens of Borden, Vanscoy, Radisson, Biggar, and Cando.

Thank you.

Ms. Harpauer: — Thank you, Mr. Speaker. I have a petition today with citizens who are concerned about the deplorable state of Highway No. 15. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to use a portion of its highway budget to address the concerns of the serious conditions of Highway 15 for the Saskatchewan residents.

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

And the petitioners, Mr. Speaker, are from Saskatoon, Regina, Watrous, Raymore, Lanigan, Lockport, Winnipeg, Manitoba, and Sherwood Park, Alberta.

Thank you very much.

READING AND RECEIVING PETITIONS

Deputy Clerk: — According to order the following petitions have been reviewed and are hereby received.

A petition concerning responsible use of natural resources at Besnard Lake; and

Addendums to petitions previously tabled as sessional paper no. 7, 8, 11, 18, 22, and 31.

NOTICES OF MOTIONS AND QUESTIONS

Ms. Harpauer: — Thank you, Mr. Speaker. I give notice that I shall on day no. 26 ask the government the following question:

To the Minister of Agriculture and Food: how many of the 81 designated weather stations in the province are part of Environment Canada's existing network; and further to that, how many new stations have been or will be set up by your department or the Saskatchewan Crop Insurance; and what is the cost of each of the new stations?

INTRODUCTION OF GUESTS

Mr. Gantefoer: — Thank you, Mr. Speaker. Mr. Speaker, and to the members of the Assembly, I rise today to welcome and introduce a group of people from Zenon Park, Saskatchewan, and particularly 18 students from the Zenon Park School.

They're here today on a tour with their principal, Ulysse Léger, Mrs. Carol Fawcett, Mrs. Beatrice Thesen, Mr. Bernard Carpentier, and Mr. Leo LeBlanc. They're here for the day to

tour the legislature and other places of interest in Regina and I would ask all members to give them a very warm welcome to our Assembly.

Thank you, Mr. Speaker.

Hon. Members: Hear, hear!

Mr. Elhard: — Thank you, Mr. Speaker. I'm a little slow to my feet because I wanted to make sure the guest was in the Chamber today. In your gallery I'd like to introduce to you and through you to all the members of the Assembly and our guests here, Mr. Robin Kurpjuweit, representative of the organization, Focus on the Family.

He heads up a program entitled How to Drug Proof Your Kids. And I will be meeting with him a little later this afternoon. And I appreciate his attendance here and I wish that we would all welcome him to the Assembly.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Leader-Post Poll

Mr. Yates: — Thank you, Mr. Speaker. There's an old proverb that goes like this: "The man who can't dance says the band can't play."

Well, Mr. Speaker, the Leader of the Opposition, the one with two right feet, was sure doing some interesting complaining this weekend about the guys in the band at *The Leader-Post*.

It seems there was a poll taken by the paper for Saturday, a poll that shows only one person in five south of Davidson thinks he would make a good premier. And the people are always right, Mr. Speaker.

I don't know what he's complaining about, Mr. Speaker. We all know that a poll is a snapshot of the moment and we all know these comment about poles and dogs. So what's the fuss, Mr. Speaker? But the opposition leader and the boys on his staff were crying foul even before the poll was released that says only 23 per cent of women supported his party.

They even went so far as to release — get this, Mr. Speaker — a special edition e-mail on Friday with their own poll, with their own numbers, Mr. Speaker. A special edition e-mail is something like a chocolate-covered hairball, and twice as effective — but it does show us how concerned they are over there, Mr. Speaker. Perhaps the leader should do a core service review of his own staff and find out where the problems are.

The real poll, of course, is the one at the ballot box — the one where twice Saskatoon and once Regina voters have registered their preference. We'll trust that one, Mr. Speaker.

Meanwhile the Leader of the Opposition should take some more dance lessons. Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

Convicted Johns Assigned to Clean Up Inner-City Streets

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I have some news today that I think should interest all members of this Assembly.

Mr. Speaker, I have been informed that in Calgary convicted johns are being assigned to inner-city streets to pick up used needles, condoms, and other sex-trade debris. Mr. Speaker, these convicted johns are highly visible in their orange prison jumpsuits as they pick up garbage in the neighbourhoods where prostitutes stroll.

The project is part of a strategy put together by police and community leaders from inner-city neighbourhoods in an effort to make these men realize the impact that prostitution has on a community.

The communities felt that it was necessary to take the anonymity away from johns and, in part, for them to make restitution in a healthy way for their community.

Mr. Speaker, I think this is a measure that would help deter johns from supporting the sex trade and, in part, I believe that it's a way that we could certainly let them know that this sort of activity is not condoned in our society.

And I think certainly, Mr. Speaker, that all Saskatchewan residents would be in favour of this and so I encourage the members opposite, as well as community leaders, to take the lead from Calgary and to put this measure in place. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

The United Way of Regina President's Awards

Ms. Hamilton: — Thank you, Mr. Speaker. Last week at the United Way tribute luncheon a select group of community leaders were honoured for their contributions.

The United Way of Regina President's Award was presented to three individuals for their outstanding volunteer efforts. Dave Hedlund, regional director, Saskatchewan Social Services, was recognized for his tireless volunteer efforts and outstanding leadership. Some of these volunteer activities include: baking pies for local fundraisers; rowing in the annual Dragon Boat Festival; serving on the board of the Regina Symphony; and serving as a member of the Regina Crime Prevention Commission.

Elmer and Heather Stevenson were recognized for their dedication to feeding hungry children through the Regina food for action and learning agency. The Stevensons have donated their time and energy to the great cause of feeding school-age children.

The United Way also presented Distinguished Corporate Philanthropy awards to ISM (Information Systems Management Corporation) Canada and Global Television, both of who were recognized for their many years of support and participation in events of the United Way.

Mr. Speaker, these award winners represent the best of the spirit of Saskatchewan and deserve our recognition.

Some Hon. Members: Hear, hear!

(13:45)

Cupar Lions Club's First Annual Agri Supper

Mr. Hart: — Thank you, Mr. Speaker. Mr. Speaker, last Saturday evening I had the pleasure to attend the Cupar Lions Club's first annual Agri Supper. About 250 farm managers and agribusiness people from across my constituency, as well as a number of business people from Regina gathered in the town hall to raise funds for the many community projects that the Lions Club support.

The evening's guest speaker outlined the many opportunities that exist in agriculture for Saskatchewan, especially in livestock production, value added, and processing. He went on to say that Saskatchewan has 75 per cent of the arable land in Canada; we're number one in potash and uranium; we're number two in oil and gas; and we have a large area of lakes and forest.

When the question was asked, so why isn't Saskatchewan cooking, a murmur of NDP (New Democratic Party) could be heard all across the hall. These entrepreneurs are tired of being held back and dragged down by this old and tired government, Mr. Speaker.

The only question that people . . . The only question people had is the same question that is being asked in Moose Jaw; the same question that is being asked in Regina; the same question that is being asked in Prince Albert and North Battleford; and the same question that is especially being asked in Saskatoon, Mr. Speaker. And you know what that question is, Mr. Speaker? The question is, when's the next election?

Some Hon. Members: Hear, hear!

Indigenous People's Health Research Centre

Hon. Ms. Crofford: — Mr. Speaker, on a more positive note, I'm happy to bring the Assembly's attention to important developments taking place at the province's universities and colleges. The Saskatchewan Indian Federated College, with the University of Regina and the University of Saskatchewan, will receive a \$3 million federal grant over six years to develop an indigenous people's health research centre in Saskatchewan.

Now the centre will be located on both campuses and will carry out research in indigenous health to increase the opportunities of people of indigenous ancestry to pursue health-related research and training.

Mr. Speaker, this is one of only four centres across Canada and will focus on community-generated research in four areas: chronic diseases, nutrition, and lifestyle; indigenous healing, including addictions, mental health, and the judicial system; health delivery and control; prevention and environmental health.

So, Mr. Speaker, I am happy to bring to the attention of the legislature a program that will help to diminish the disparities between Aboriginal and non-Aboriginal people, and improve the quality of life in Saskatchewan as a whole. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Pangman Elevator Under New Ownership

Ms. Bakken: — Thank you, Mr. Speaker. Mr. Speaker, Doug Lewgood of Pangman, who was a Sask Wheat Pool elevator agent for 27 years, has teamed up with Robert and Alex Galarneau of Radville to reopen the Pangman elevator. Mr. Lewgood and his wife, Arlene, run a mixed farming operation in the Pangman area and the Galarneaus operate an organic processing plant north of Radville.

The elevator has now been renamed Pangman Storage and Loading.

Mr. Speaker, it is a win-win situation for local area producers, the short-line Red Coat Road and Rail, and the new business, Pangman Storage and Loading. Producers will earn more money by hauling locally, reducing their transportation costs and repair costs.

Mr. Speaker, area producers are excited about this new venture and it will be a great boost for the town because of the many spin-offs which will benefit businesses in the Pangman and area.

Mr. Speaker, the people of rural Saskatchewan are determined to keep their communities alive and this new innovative business is just one more great example of how individuals are taking the initiative and making things happen. Thank you.

Some Hon. Members: Hear, hear!

Communities in Bloom

Mr. Kasperski: — Thank you, Mr. Speaker. Mr. Speaker, spring has sprung, birds are chirping, and yes, the tiny shoots of prairie crocus and other plants are awakening from their long winter slumber. Mr. Speaker, the Saskatchewan Parks and Recreation Association, SPRA, in partnership with SaskPower is pleased to announce that Communities in Bloom . . . the Communities in Bloom program is well underway.

Entering its eighth year and gaining in popularity, Communities in Bloom is a grassroots program that recognizes and promotes community participation in projects involving beautification, heritage, and environmental awareness. With a competition at the end of the year, communities are instilled with civic pride and local participation throughout Saskatchewan.

Last year, Mr. Speaker, 18 communities participated in the program and many have already pre-registered. This flurry of activity has caused the program deadline to be extended to April 30. Mr. Speaker, these are the kinds of activities that create a surge of pride in people's communities and province. Furthermore, the work of the volunteers should not go unnoticed. The successes of programs like this are due to the

many volunteers involved. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Estevan Student Wins Skills Canada Competition

Ms. Eagles: — Thank you, Mr. Speaker. Mr. Speaker, Skills Canada held a provincial championship this past weekend in Saskatoon. Placing first in the men's and ladies' hair styling championship was Lindsey Vacary. Lindsey is a 17-year-old grade 12 student at the Estevan Comprehensive School and she will now compete at the national level in Vancouver on June 2.

What makes this really special, Mr. Speaker, is Lindsey is my niece. As I would like to congratulate Lindsey and extend my best wishes as she moves on to the nationals. Mr. Speaker, at this time I would also like to congratulate all the participants in the Skills Canada competition, particularly those from the constituency of Estevan. The accomplishments of these young people deserve recognition.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Information Services Corporation

Mr. Wall: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the minister responsible for the Information Services Corporation. And, Mr. Speaker, it has to do with the changes being faced by the oil and gas industry in the province of Saskatchewan as a result of the new automated land titles system.

The Saskatchewan Party has received a letter from a law firm to many of its clients in the province in that particular industry. And the letter says the following, and I quote:

There are significant increases in registration costs associated with the new system. In a mid-sized transaction, involving a modest number of surface and mineral caveats, expect registration fees to increase from hundreds to thousands of dollars.

Mr. Speaker, why is the minister telling us that the new system is cheaper? How can the minister justify to the important oil and gas sector of the province of Saskatchewan that their new land titles system will drive up registration costs by thousands of dollars?

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — Thank you, Mr. Speaker. Mr. Speaker, the member will know that for the vast majority of users of this system, they will save significant numbers of dollars in the process.

Let me also say, Mr. Speaker, that the fees will be . . . the fees are set now based upon the complications and the work needed to be done, not based on the value of the land in question. And the member will know too from his contacts in the oil and gas industry that with the new LAND (Land Titles Automated Network Development) system, the process for facilitating

changes and interests in land will be so much quicker and so much faster that it will be a significant benefit to the oil and gas industry in this province.

Some Hon. Members: Hear, hear!

Mr. Wall: — Thank you. Thank you, Mr. Speaker. Well we're going to get to the timelines that the industry faces now under the new system in a moment, Mr. Speaker.

But, Mr. Speaker . . . but first, it's important to understand that the big difference under the old system was that with the sale of one parcel of land, no matter how big it was, that particular sale resulted in one transaction fee.

Under the NDP's new simplified system, each lot or each quarter section is one transaction, and if there are multiple owners, each owner is one transaction, and for each transaction, there is a transaction fee.

The letter I quoted earlier gives an example of a section of land with five owners. That means the existing title would be split five titles for each owner and the further . . . and further split into four titles for each quarter section. That means there are 20 titles and the transfer would cost \$800, the letter advises, where it used to cost 20. The old system, one title 20 bucks; the new system, 20 titles, 800. How is that cheaper? How is that simpler?

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — One of the things the member will know is that one of the greatest costs for oil companies was time. And the delays in which they incurred as a result of transferring numbers of titles to land, Mr. Speaker, that time will be cut so short, Mr. Speaker, that these oil companies will benefit from it.

And, Mr. Speaker, let me say this: that if there are many, many pieces of property being transferred, then the costs will increase, Mr. Speaker; but if there's one piece of property, the costs will decline quite considerably.

And I might give the member one example, for example, a commercial development in Regina under the old scheme would have cost \$19,452, Mr. Speaker. Under the new scheme, \$1,568, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Wall: — Thank you, Mr. Speaker. Mr. Speaker, the minister just seems to have rationalized the fact that cost to this important industry are going up exponentially by saying that at least the turnaround time will be quicker.

Well, Mr. Speaker, I want to quote once more from this lawyer's letter explaining how the NDP has simplified the land titles system:

Each Application for . . . Transfer must be individually completed, using a separate Land Registry Packet Cover Page, (an) Authorization Page, and (a) Certificate Of Lawyer. Each such package must be separately faxed or

mailed to ISC in a separate envelope.

As you can imagine, (the letter says) on a large transaction this will significantly increase . . . (the transmission) time and the cost (Mr. Speaker, and the cost).

Mr. Speaker, only the NDP government could move from a paper system to an automated system and actually generate more paper for an important industry like the oil and gas sector.

Some Hon. Members: Hear, hear!

Mr. Wall: — Mr. Speaker, give the minister a chance to tell the oil and gas industry what is he prepared to do, what are the NDP prepared to do, to remove still yet another NDP barrier to this important industry in the province?

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — Thank you, Mr. Speaker. Mr. Speaker, I'd be certainly interested if the member would table that letter.

I imagine that this is part of a transition process. I'm not sure if the member is talking about the automated process because under the automated process you don't need pieces of paper, Mr. Speaker. That's what it's all about. So I don't know why he's talking about faxing pieces of paper.

Well let me just remind the member of a couple of other differences, Mr. Speaker. That commercial development that I talked about that would now cost \$1,568; in Alberta, Mr. Speaker, \$3,300; and in British Columbia, Mr. Speaker, that the members are so happy to hold up as an example, \$126,000, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Wall: — Thank you, Mr. Speaker. The minister just indicated to this Assembly, unbelievably, that, well there shouldn't be any paper associated with transactions at all.

Mr. Speaker, on a normal agriculture transaction, there's the paper associated right from ISC (Information Services Corporation of Saskatchewan) right to the client, Mr. Speaker. That's what the new system is generating in terms of paper.

On Friday the minister confirmed that we've dedicated 80 million tax dollars to this system, they've made no sales despite travelling all over the world and spending \$200,000 to make those trips, Mr. Speaker, and now we're hearing that for an important industry like the oil and gas sector, this ISC, this land titles automation, will wind up being still another barrier to oil and gas investment in the province of Saskatchewan.

To the minister one more time: will he please outline for this important energy sector what he and ISC officials are prepared to do to address this major problem?

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — Mr. Speaker, this whole process is designed to facilitate. I don't know where the member gets those pieces of paper from, Mr. Speaker. If the process is being

used properly, it is paperless, Mr. Speaker.

But let me just say this, Mr. Speaker. The member should be careful because what he's doing is scaring people in rural Saskatchewan in particular. He's saying that people out there, Mr. Speaker, that the land they own, the piece of paper they have, the value they attach to that land, Mr. Speaker, is somehow at risk.

Mr. Speaker, that is not the case. The member should stop spreading those kinds of rumours and uncertainty because he's not helping anyone.

Some Hon. Members: Hear, hear!

Mr. Heppner: — Thank you, Mr. Speaker. The NDP's new system was supposed to simplify the process of land title transactions. I'd like to discuss an example of how the NDP simplifies thing.

A woman in Kronau owns a piece of property in town, and it's block 6, Kronau, Saskatchewan, plan 59462, minerals included. And on the back, as it's been done for almost 100 years, we have charges, liens, and interest. That's the way the old paper system worked.

Now I would like to show what the new system works like. Mr. Speaker, under the new system, that same piece of property, you get . . .

The Speaker: — Order, order. Order.

Some Hon. Members: Hear, hear!

The Speaker: — I would ask the member to release the exhibit which he knows he is not to . . . To the page, please.

Mr. Heppner: — Thank you.

Some Hon. Members: Hear, hear!

(14:00)

Mr. Heppner: — Very specifically, Mr. Speaker, 20 pages where there used to be one. How does that simplify the system? Why is the NDP making it more complicated with land titles?

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — Well, Mr. Speaker, the member, I think, the member I think should drag himself into the 20th century, Mr. Speaker, and maybe even . . . maybe, Mr. Speaker, even the 21st century, which would be a big help.

Mr. Speaker, the member will know very well that those pieces of paper now are no longer necessary, that that information is stored on computer electronically, Mr. Speaker. You can get copies if you want but you don't need copies anymore. And the member knows that very well.

Some Hon. Members: Hear, hear!

Mr. Heppner: — Mr. Speaker, that paper came right out of that

minister's office. The paint is barely dry right. It's right in this particular century. Only the NDP could come up with a computer system that actually generates more paper than the old system. And it's not just paper, Mr. Speaker.

Under the old system it would cost you \$2 for this; under the new system, Mr. Speaker, it costs \$60 — \$60. That's to get a copy of the title. If you actually sold the land, Mr. Speaker, if you sold the land the increase would be a whole lot more than that.

Mr. Speaker, how on earth did the NDP manage to create a computer system that actually costs more and is more expensive than the old paper system?

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — Well, Mr. Speaker, the member will know that we've had visitors from all across the world coming to Saskatchewan to look at our land titles system, Mr. Speaker. Not, Mr. Speaker, because it's a 19th century system but because it's a 21st century system, Mr. Speaker. And from all over North America; from Australia for example, Mr. Speaker, we have people praising this system as one which is at the leading edge.

And, Mr. Speaker, let me just quote from John McLaughlin who's director of New Brunswick's land title Crown, and he said:

There is nothing like this on the market with ISC's land product capabilities.

Mr. Speaker, this is a leading technology and the member should recognize that.

Some Hon. Members: Hear, hear!

Mr. Heppner: — Thank you, Mr. Speaker. Mr. Speaker, the minister is a whole lot like an old watch salesman who walks around and says see what I have, I have a computer for you. But no one's buying it. He hasn't sold one.

Mr. Speaker, only the NDP could invent a computer that turns out more paper, only the NDP could invent a computer system that is more complicated, only the NDP could invent a computer system that ends up costing more money.

Mr. Speaker, how many more taxpayers' dollars do the NDP plan to put down this black hole before they quit this? Mr. Speaker, will the NDP finally admit that the LAND project is a total disaster?

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — Thank you, Mr. Speaker. Mr. Speaker, perhaps the member opposite should ask David Chow, who is a Moose Jaw lawyer who's apparently interested in supporting the party opposite there, Mr. Speaker, who had some criticisms with this system in the beginning. He now says this:

We're quite pleased with the system now. It seems to be running smoothly.

Mr. Speaker, this is what happens when people take the training, when they use the system, and when they see how beneficial it is.

And in particular, Mr. Speaker, it enables somebody who, who, Mr. Speaker, otherwise would have paid \$430 to transfer their house — a house worth \$100,000 with a \$75,000 mortgage in it — to cut those fees in half, Mr. Speaker. Maybe the member opposite should ask those people how they like the system — their fees are cut in half.

Some Hon. Members: Hear, hear!

Crop Insurance

Ms. Harpauer: — Thank you, Mr. Speaker. Well, Mr. Speaker, the betting window has now closed at the NDP's new crop insurance rainfall program. And it turns out that hardly any farmers got a chance to get in on this program. Crop Insurance is only insuring 500 acres per farmer; they're only insuring up to 12,000 acres per weather station. So, Mr. Speaker, that's only 24 farmers per station. Less than 2,000 farmers in the whole province are allowed to get in on this program. That's less than 5 per cent of farmers in Saskatchewan.

Mr. Speaker, why would the NDP come up with a new program to deal with the drought situation in our province and then say that only one . . . or 1 farmer in 20 can take part in the program?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Well, Mr. Speaker, not more than three weeks ago the members on that side of the House said, why are you getting into this program at all? They said, you shouldn't be in this program.

And today the member opposite stands up . . . The member from Kindersley said, you know we shouldn't be doing this; you know, this is a great big gamble and we shouldn't be in this program whatsoever. And they mimicked it and they made a mockery out of the program, Mr. Speaker. And today the member from Watrous gets up and she says, why didn't you make this program more available to more farmers in Saskatchewan, Mr. Speaker?

Now what is it? Do you want the program to be across the province for all the farmers in Saskatchewan? Or do you don't want the program at all? Which is it, Mr. Speaker?

Some Hon. Members: Hear, hear!

Ms. Harpauer: — Thank you, Mr. Speaker. I would like to remind the minister that the producers in this province have no other options. This is what they've been given.

So once again the NDP ag policy makes no sense whatsoever. This rainfall roulette program was supposed to be the NDP's answer to the potential drought, but now they've closed the program before hardly any farmers could sign up. And it's the only program they have available to them.

Only 24 farmers per weather station, Mr. Speaker. And you might be insuring your crop based on rainfall at all . . . at a

weather station hundreds of miles away from you, and it doesn't make any sense. But your rain station may be filled up.

Mr. Speaker, if this is such a good program, if this is the NDP's answer to another potential drought, why are most farmers prevented from signing up?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, I want to explain for the member the way in which the program operates. We talked at some length, Mr. Speaker, at the . . . during the estimates about how the program works, Mr. Speaker.

Absolutely, absolutely that farmers have an option, Mr. Speaker. Farmers don't need to take the program at all. This is a buy up program. It's a voluntary program, Mr. Speaker. And it's in the crop sector which producers don't have to be a part of at all.

And we provided that option this year, Mr. Speaker, as the follow-up to the forage program last year which, today, Mr. Speaker, the forage program is fully subscribed. Went from 200,000 acres to over 3 million acres, Mr. Speaker, is what we have today. To 3 million.

And we put this program out, Mr. Speaker, to test it — to see whether or not Saskatchewan producers want to see this as a full-fledged program, Mr. Speaker. And we'll find, Mr. Speaker, that with the crop sector program, it will be fully subscribed as well this year, Mr. Speaker, when we're finished — be fully subscribed.

Because you know what? Saskatchewan farmers, Mr. Speaker, like it. The party opposite does not like it, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Harpauer: — Thank you, Mr. Speaker. It's interesting that the minister has said that it's a pilot program. They have blamed agriculture in the province with agriculture on their job losses, on the out-migration, on a downturn in the economy.

And I hate to tell the minister, but this is not a pilot drought that we're having here. So only a few farmers are allowed to sign up to this drought program. I wonder if the minister can guarantee that the drought will only hit those farmers who are allowed to get in on this program and it will leave the others alone.

And, Mr. Speaker, what good is a drought program that gets cut off before most of the farmers are even allowed to sign up? What good is a drought program that's only available to less than 5 per cent of the farmers in this province?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, in this province this year what we've done, Mr. Speaker, is we've taken and provided a brand new forage program for all farmers in Saskatchewan, of which the opposition criticized, Mr. Speaker, saying we should not be involved in the forage program we've provided.

We've taken it from 200,000 acres, Mr. Speaker, to today over

three million acres for people today, for producers who want to be involved in the forage program.

And it's interesting, Mr. Speaker, that what the member opposite said just not long ago to *The Leader-Post*, Mr. Speaker, and she talks about drought. And the question that the reporter asked her is she said, what would you do specifically about drought — is what the member was asked. What would you do specifically about drought?

And this is what the member opposite from Watrous said:

Right now, I wouldn't know exactly what to do (Mr. Speaker).

So here you have the member opposite not more than just a couple of weeks ago who said she has no idea what to do about farmers. We thought out a program. She scratches her head and says I don't know what I should be doing about the drought program.

Some Hon. Members: Hear, hear!

Ms. Harpauer: — Thank you, Mr. Speaker. I find it astounding when agriculture is so important to this province that the best that the Minister of Agriculture can do is criticize my inability in a 90-second scum to lay out the entire Saskatchewan Party vision for agriculture, when he and his government have had 10 years . . . (inaudible interjection) . . . and the best that they can do is download the education taxes.

They tear up the GRIP (gross revenue insurance program). They've gutted crop insurance. And now they've got this loopy little rainfall program for the drought.

Could the minister, could the minister please tell us here today what the total cost of that program that's only going to insure 5 per cent of the farmers, what is the cost to the taxpayers of this province?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, this is an interesting sort of comment from the member opposite because the member opposite is part of a party, Mr. Speaker, who said, over the last couple of years, they were developing a national . . .

The Speaker: — Order, please. Order, please. Order, please. Order. The minister will start over.

Hon. Mr. Serby: — Mr. Speaker, it's a . . . this is an interesting question coming from the member opposite because over the last several years, Mr. Speaker, we've been working away at developing a national strategy on agriculture. And I know that the members don't want to hear this because, Mr. Speaker, the members opposite don't have any concept of what needs to be done in agriculture.

In March, Mr. Speaker, the member opposite from Kindersley said, what we're going to do, Mr. Speaker, is we're going to provide for Saskatchewan farmers — last March — a plan on agriculture. Well, Mr. Speaker, it's now the middle of . . . in February and March the member from Kindersley says, our

party has a plan on agriculture; you stay tuned and in six weeks you're going to hear what it is, Mr. Speaker. And it's now the middle of April and we haven't seen a thing from the opposition party on any kind of a Saskatchewan agricultural plan, Mr. Speaker.

And what we have today is developed a plan. And when we asked the member opposite, what do you have on agriculture in terms of a plan, she says, I have no idea what to be doing for the agriculture plans; I have no idea.

Some Hon. Members: Hear, hear!

Fish and Wildlife Development Fund

Mr. Kwiatkowski: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Environment.

Over the weekend we were very pleased to see in *The Leader-Post* that the minister had decided to reverse her decision to drain the Fish and Wildlife Development Fund. I was also contacted by a number of stakeholder groups who said that they were very pleased as well that the government announced they would not be using the surplus.

But today, Mr. Speaker, we are hearing that the minister has again changed her mind and once again plans to use the Fish and Wildlife Development Fund to pay for departmental staff and the Wetland Conservation Corporation.

Mr. Speaker, it appears that the minister has flip-flopped twice over the weekend. Does she or does she not intend to drain the Fish and Wildlife Development Fund, Mr. Speaker?

Some Hon. Members: Hear, hear!

Hon. Ms. Lorjé: — Mr. Speaker, the events over the weekend prove that you cannot always believe everything you hear or read in the media.

Mr. Speaker, the Liberal . . . the Liberal leader over the weekend issued a media release saying, quote:

Lorjé declares government budget unbalanced.

I would say that Lorjé declares somebody else in the Liberal Party to be unbalanced if he's going to believing . . . believe everything he reads in *The StarPhoenix*.

Mr. Speaker, the Saskatchewan Wildlife Federation issued a media release today saying:

"SWF members are very disappointed about the government's decision to remove this money from the fund, but the recent confirmation from Environment Minister, Pat Lorjé, that the \$1.1 million will be restored to the FWDF next year is encouraging".

Mr. Speaker, I want to read one letter from . . .

The Speaker: — The member's time has elapsed.

Some Hon. Members: Hear, hear!

(14:15)

Mr. Kwiatkowski: — Thank you, Mr. Speaker. Mr. Speaker, the positive reaction of environmental stakeholders who had heard that the minister was not going to drain the fund is a huge indication of just how strongly conservationists feel about that fund and the work that it does in this province. They don't want that fund and the surplus drained, Mr. Speaker.

The steering committee of the fund doesn't want the NDP taking this money that they've built up for major habitat projects over the years and using it to pay for departmental staff. And, Mr. Speaker, now they will be crushed to learn that in fact the minister is going to go ahead with her plans to raid the fund.

Mr. Speaker, the minister has said she will meet with the steering committee of the Fish and Wildlife Development Fund. Will she listen to her committee members and will she agree once and for all not to drain the fund's surplus?

Some Hon. Members: Hear, hear!

Hon. Ms. Lorjé: — Mr. Speaker, I want to read in for the record a very classy letter that I received today from CBC (Canadian Broadcasting Corporation) producer Ian Hannah. Mr. Ian Hannah is producer for Radio Saskatchewan, and he says,

Further to your phone message to me of earlier this morning, you are correct. The story was wrong. It should never have made it to air.

It would be nice if I could say we were the victim of some political conspiracy or the poor work of our competition. However I have to take personal responsibility for the items on our newscast.

The story was wrong, and I apologize for any harm it caused you.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

The Speaker: — Order, please. Order.

MINISTERIAL STATEMENTS

Endorsement of Canadian Sport Policy

Hon. Ms. Crofford: — Thank you, Mr. Speaker. Some good news about what the province is doing to improve the health and well-being of Saskatchewan residents.

I know that we know that physical activity can and should play an increased role in improving the health of the global population. You may know that World Health Day was April 7 and the theme of World Health Day this year was physical activity for health.

Mr. Speaker, on April 6, 2002, my fellow ministers from across the country met in Iqaluit, Nunavut for the 2002 conference of federal and provincial and territorial ministers responsible for

sport, fitness and recreation, and there they endorsed The Canadian Sport Policy, which is the first ever Canadian sport policy to involve the collaboration of all 14 governments.

Mr. Speaker, the ministers embarked on this policy development process to underscore the importance of sport and physical activity in the health of Canadians. And if I could just mention that during a round of discussions in the community about the well-being of Aboriginal children in our community, that this issue was at the very forefront of the communities' list of concerns for the children in the community.

Over the next 10 years the policy will enhance four main areas: the first, participation; second, excellence — as we know we've had many athletes out there winning in national and international forums; the third is capacity; and the fourth is interaction.

The policy commits all those involved to set targets in partnership with their respective sport communities. Mr. Speaker, here in Saskatchewan we worked closely with the sport community to develop Saskatchewan's contribution to The Canadian Sport Policy. And on April 7, Mr. Speaker, a ministers' presentation was made to the Romanow Commission on the Future of Health Care in Canada. And I want you to know, Mr. Speaker, that this presentation was initiated by the Government of Saskatchewan.

Provincial and territorial ministers responsible for sport, fitness, and recreation called on the commission to recognize the essential contribution of physical activity, sport, and recreation to the health of Canadians and subsequently to the impact on health expenditures. The ministers invited the Romanow Commission to advocate greater collaboration between the health system and the sport, fitness, and recreation delivery systems in fostering the health of people of Saskatchewan and all Canadians.

Mr. Speaker, Saskatchewan supports and endorses the content, conclusion, and recommendations of the presentation to the Romanow Commission on the Future of Health Care and Saskatchewan also endorses approval in principal of the final draft of The Canadian Sport Policy.

As you know, Mr. Speaker, in August of 2001 our government launched A Physically Active Saskatchewan, a strategy to get Saskatchewan people in motion. The Saskatchewan target is to reduce . . .

The Speaker: — Order, please. Order, please. Order, please. Order. Order. I would just like to advise the minister that I was not able to hear the last two or three sentences, she might want to repeat them. And I ask people just to tone it down a little.

Hon. Ms. Crofford: — As you know, Mr. Speaker, last summer we set the target in Saskatchewan to reduce physical inactivity by 10 per cent by the year 2005 because we think it would be a great legacy of the centennial to move into our next hundred years as physically fit as possible.

Culture, Youth and Recreation is committed to providing the leadership necessary to move this initiative forward. The collective understanding and spirit of co-operation that was

evident in Nunavut lays the foundation for collaboration.

And as it is in our many collaborations and partnerships, both individually and collectively, that will give Saskatchewan people and all the young children for whom this is such an important developmental activity, more opportunities to be active and in better health throughout our province. Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Huyghebaert: — Thank you, thank you, Mr. Speaker. I think we all appreciate the effect of improved health on the well-being of Saskatchewan residents. I would just like to make a couple of comments with regard to the member's . . . the minister's statement.

I think recognition . . . I think we all recognize the essential contribution of physical activity, sport, and recreation to the health of all Canadians, although I had a hard time convincing Jim Fixx's friends on that one.

Mr. Speaker, the minister had mentioned measuring physical inactivity or reducing physical inactivity by 10 per cent by the year 2005. I'm wondering — and we'll maybe find out a little bit later in estimates — what the yardstick is or the measuring stick is going to be for measuring the reduction of the physical inactivity over the next three years.

And also, Mr. Speaker, the minister talked about the ministry as being committed to providing the leadership necessary to motivate this initiative forward. Again we'll find out in estimates what this leadership really is and how it's going to be accomplished.

We hear continuously from the other side of the House: we have a plan. And unfortunately we never see the plan; all we do is hear that we have a plan and that's came from about four or five different departments. So I'm going to be very interested in finding out what this, this leadership plan is going to be to initiate this physical activity in our province.

Mr. Speaker, we talk . . . the minister talked about giving more opportunities for Saskatchewan people to be active. And yet at the same time, we look at facilities, recreation facilities throughout the province that are basically bankrupt.

We see the huge increases in energy and power. We see rec facilities within rural areas — I know in my area — that are having to close because of such humungous increases in energy rates. And yet at the same time, we're talking about how we're going to promote and improve health in our young people in this province.

So it's a bit of a dichotomy there. We can stand up and talk rhetorically about, boy, we're really providing leadership to help our young people and help the people of this province — and yet at the same time we're driving some of our rec facilities into closure.

And I know the infrastructure of a lot of our recreational facilities right now are getting pretty rundown. And I'm sure, from all constituencies in the province, they're basically

begging to have some infrastructure dollars put into recreation facilities and yet they can't get any. I know in my constituency there's been several letters that have been sent to the minister — in fact, probably a lot of the ministers on the government side — asking for help for the recreational facilities and they're basically flatly turned down.

Mr. Speaker, with an emphasis on youth, it's another time for myself as a strong proponent of the cadet program which really emphasizes physical fitness. It may be a good time for the Government of Saskatchewan to work with the cadet program of Saskatchewan to try and get our youth more involved in the cadet program. There's not a better youth facility and a youth organization than there is in the cadet world which really would promote exactly what the minister is trying to do in her ministerial statement.

It's a shame, Mr. Minister . . . or, Mr. Speaker, that we see thousands and thousands of people that are leaving the province over the last 10 years. And it's a shame that that's their recreation level is running out of the province. Thank you.

INTRODUCTION OF BILLS

Bill No. 26 — The Enforcement of Canadian Judgments Act, 2002/Loi de 2002 sur l'exécution des jugements canadiens

Hon. Mr. Axworthy: — Thank you, Mr. Speaker. I move that Bill No. 26, The Enforcement of Canadian Judgments Act, 2002 be now introduced and read the first time.

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

ORDERS OF THE DAY

WRITTEN QUESTIONS

Mr. Yates: — Thank you, Mr. Speaker. By leave, I stand today to respond to written questions number 99, 100, and 101.

The Speaker: — Responses to 99, 100, and 101 have been tabled.

GOVERNMENT ORDERS

COMMITTEE OF FINANCE

General Revenue Fund Culture, Youth and Recreation Vote 27

Subvote (CR01)

The Chair: — I invite the Minister of Culture, Youth and Recreation to introduce her officials, and make a brief statement if she wishes.

Hon. Ms. Crofford: — Thank you very much, Mr. Chair. We're happy to be here today to answer questions relating to the estimates of the Department of Culture, Youth and Recreation.

I have with me today the officials from the department. Deputy minister, on my left here, Angie Gélinas; behind her, Jill McKeen, executive director of policy and planning; on my right, Emile St. Amand, director of sport and recreation; and immediately behind me, Melinda Gorrill, director of corporate services; and behind Jill, Bruce Medhurst, senior policy analyst; and Peggy Brunson to my right, manager of provincial heritage resources.

(14:30)

Mr. Huyghebaert: — Thank you, Mr. Chair, and welcome to the officials for Culture, Youth and Recreation. And, Mr. Chair, to the minister: before getting into specifics I would like to ask the minister to briefly outline what changes, if any, she's made within her department in the past year and in what area those changes occurred.

Hon. Ms. Crofford: — Mr. Speaker, probably the best thing to say is that a lot of the responsibilities in the cultural, heritage, youth, and recreation area were scattered in a number of places and because of that they were starting to lack attention and lack momentum. And I think people in those communities felt they had lost a focus for the policy discussions that they needed to have with government — both from the point of view of what provincial policy would be in those areas, what program expenditures would be in those areas; and on initiatives of a province-wide nature, who would provide some leadership on those initiatives.

So during the past year, responsibility for heritage, heritage and cultural tourism facilities, now resides with Culture, Youth and Recreation. So that includes heritage assessment, Heritage Foundation, the Western Development Museum, Saskatchewan Science Centre, Wanuskewin, the Royal Saskatchewan Museum.

In addition, the responsibility for the Saskatchewan Archives Board has been transferred to CYR (Culture, Youth and Recreation). The Saskatchewan Communications Network and responsibility for further development and implementation of the centennial celebrations was just recently transferred as well.

And we see these changes as a real opportunity to pull together some momentum around all of this rich cultural and heritage resource that we have in the province.

Mr. Huyghebaert: — Thank you, Madam Minister. For the next year, in what direction do you intend to take your department; what sort of vision do you have for it; and what forthcoming changes do you see happening within your department?

Hon. Ms. Crofford: — If I was to answer that in the most general kind of way — and then if there's specifics that interest you we could certainly get into them — but in the most general kind of way, we really see the department having three main purposes.

One is developmental activities — all the culture, sport, and recreation activities that are part of developmental activities for people in the province. And we see that very link to community building in the province because many people organize sporting

events and cultural events as a way of bringing their community together and building community relationships and raising funds, etc.

But there's another element of cultural industries and even sport industry from the point of view that these are increasingly becoming areas as well that people are quite prepared to use their recreation dollars, their leisure time activities, in attending cultural and sporting events. So these are also becoming a more mainstream part of the economy.

And certainly tour operators and whatnot who are now operating in the province think that these are very important events from the point of view of activities that make it attractive to take their visitors around to.

And the other part is to help with the feel-good project in Saskatchewan because many of the people who are involved in culture, tourism, and recreation are award-winning people. And we like to acknowledge the excellence that people have achieved and to help celebrate those achievements in the province, as we will be, culminating in our centennial year.

Mr. Huyghebaert: — Thank you, Madam Minister. I'll probably have some more questions related to your answer later on in my notes someplace about community building and maybe some more direct questions, but I'll just try and stay consistent with my notes right at the moment.

And I note in this year's budget estimates your department spending was cut by \$2.6 million. Would you confirm that.

Hon. Ms. Crofford: — The largest impact on the funds would be the re-estimation of the funds that'll be flowing from casinos. Because we had an arrangement with the First Nations that if the casinos were off-reserve, a certain percentage of the funds flowed into the CIF (Community Initiatives Fund) fund and a certain amount flowed into the FNF, the First Nations Fund.

And with the movement of those casinos onto reserve, the relationship flips essentially to where the First Nations Fund would get the larger proportion of the funding and the CIF fund would get a smaller proportion. And the other part, where there was some decrease, was about 1.3 million, I think, out of the 10 million in the centennial summer student employment program . . . 5 million in a year — sorry — 10 over two years, in the centennial summer student program that provides job subsidies in the province.

Mr. Huyghebaert: — Thank you. I have a question about that following but I just want to continue with this one. So I gather that the answer is yes, that there was a \$2.6 million reduction in expenditures . . . or in estimates from 2001-2002 to 2002-2003. And yet going through the, going through the figures from the budget is . . . there's a \$2.6 million reduction in funding and yet there's no decrease in staff levels. Could you expand on that for us today.

Hon. Ms. Crofford: — In actual fact, Mr. Chair, when we assumed responsibility for the department, I would actually have to say that we were understaffed in some very critical areas.

Our sport area was reasonably well developed. The cultural area had very little representation in terms of staff that could effectively work with the industry out there. And certainly things like a rapidly developing film sector and whatnot has put a lot of pressure on the staff capacity in there. The other area is the youth area where we had no staffing capacity either.

And the centennial summer student program is actually a very large program to manage because we have several different sectors involved in it; they all have to be engaged with separately; the student applications need to be managed; and the fund grants out to those organizations need to be managed.

So it wasn't possible to find those kinds of monies through staffing attrition. There was one position given up in the department to assist with the budget reduction process. But we still, I would say, are not quite as developed as we need to be for the wide range of responsibilities that we have.

Mr. Huyghebaert: — Well thank you, Madam Minister. It's interesting using the understaffing from before as the . . . as the answer. I guess a follow-on question immediately to that: if you're understaffed before and you've taken a decrease in budget of \$2.6 million with no reduction of staff, are you at the staffing levels now that . . . you're at the top level staffing that you will require to run your department? Or a follow-on to that: if not, how many more will be required? I'd like to find out where we're going to or if we're there for staffing levels.

Hon. Ms. Crofford: — In the next year we'll be hiring a director of culture, as well as some youth to work in the youth projects area, so there'll really only be one more senior staff. And most of the areas where the attrition occurred in the budget really do affect some of our third parties. But I guess, fortunately, the money going out to third parties is fairly substantial, so although it will mean they can't expand in some areas as rapidly as they would like, I would say that certainly people were pretty satisfied with the budget levels this year that they were able to get.

Mr. Huyghebaert: — Thank you, Madam Minister. I don't know if you answered my question about . . . have you reached the level of staffing that you see as a top goal? You said well next year you might have to hire some more other than the two, the director of culture and one for youth, but at what point are we going to reach the maximum level, or are we going to just every year say well we're going to hire a few more in this area? Or do we see a plateau of hiring within your department? Unless of course there's more additions in the portfolio.

Hon. Ms. Crofford: — I would say that the general principle across government is to keep the size of the public service about the same, or with some attrition from what it is now, in keeping with the budget targets that were set this year.

But as priorities change, and perhaps as things are moved from one department to another, if it seems more appropriate, then those staff would move — and dollars would move — with that program.

So we don't see much additional staff at the moment, just the ones that we mentioned. And we think that we can make do with that because we have a close working relationship with the

community organizations, and they provide a lot of the understanding of what's going on; they provide a lot of the hands-on work that needs to be done.

But we do need to be strong enough to be responsible for relating to the federal government in the area of policy, as well as making sure that what we're doing on a province-wide basis is fair.

But right now we think we have close to about the right mix of staff to be able to reasonably carry out the responsibilities that we have. And I have to give our deputy — who I didn't really know before she was hired as deputy — some credit for reorganizing the staff into working teams so that there can be greater skill sharing and resource sharing across the teams, and can be done with an individual . . . individualized approach to using your staff complement.

Mr. Huyghebaert: — Thank you, Madam Minister. You talked about the \$2.6 million in the budget that's being reduced. And I'm not sure if I heard you say, but my notes tell me that \$1 million of that was in the culture and recreation area alone. If that's correct, could you provide some details for that?

Hon. Ms. Crofford: — I'll just confirm, Mr. Chair, what I said to the member previously, as it's really in two areas: the CIF Fund, which I explained as the flip in funding with the First Nations Fund when their casinos moved on-reserve; and the other part was the summer student employment program. Those were the two areas where it came from.

Mr. Huyghebaert: — Thank you, Madam Minister, but I understand that there was 1 million that was in culture and recreation by itself and an additional 1.2 million in the youth sector. And if that's not correct, I will stand corrected. I would like to . . . I would like your comments on that.

Hon. Ms. Crofford: — I'm looking at the first page of the Estimates book here — 37. And what I've got is under culture and recreation for 2001-2, it was 13 million 68 and in 2002-3, it's 14 million 136. So it's actually increased, not decreased. Largely because of the McKenzie Art Gallery being included as part of our responsibility.

Mr. Huyghebaert: — I guess, Madam Minister, I was concentrating on the youth which goes from 5.334 million estimated in 2001-2002 to 4.138 million in 2002-2003, which by my calculation is about a \$1.2 million reduction in the youth sector.

I think for all of us in this province that are committed to youth, I think this probably sends a . . . quite a disappointing message to the youth of the province, although we talk about how much we're promoting our youth and trying to keep our youth here. And I would like to know just where specifically that \$1.2 million in the funding cuts will be felt.

(14:45)

Hon. Ms. Crofford: — Let me put it this way. There'll be a few less jobs this summer but there are still 1,300 more jobs than there were two summers ago.

Last year when the program was brand new, it added 1,600 jobs. This year, with the cutting of the 1.2 that you identified here, between 1.2 and 1.3, there'll now be 1,300 jobs. So there will be 300 less jobs but there'll be 1,300 more than there were before the program started last year.

Mr. Huyghebaert: — Well thank you. That's small consolation. Probably we could go back a number of years and I don't really think our . . . the message to our youth, I think it gives us a little bit of a wrong statement for somebody that's really promoting the youth in this province. And I know budget constraints are tight but it's . . . to me, it sends a very poor message to our youth that we are making cuts there.

And, Madam Minister, I noticed between administration and accommodation and central services, there have been a combined spending increase of nearly \$60,000. What specifically will this increase be used for and, more importantly, I'm wondering why this increase wasn't targeted toward the youth sector where it certainly could have been better spent?

Hon. Ms. Crofford: — Well first of all, I guess I'd have to say that those amounts would reflect the staff that provide all the services in the department, so that would not be a separate category.

When you're accommodating people, you're accommodating the people who do the work. So the people who are running the student employment program would be part of that accommodation figure. The people who are administering the youth employment program would be part of that figure. We now administer the CIF fund and so that would be part of that administrative figure. So that administrative and accommodation and central services figure is spread across all of the activities. It's not a separate category.

Mr. Huyghebaert: — Well thank you, Madam Minister. I'm a little unsure of that. It is an increase in administrative services and if it's created by the flip-flop of the CIF into your department or something . . . My understanding is that if there's something from the other department, I believe you had said that they will put the money back into it also. And there just seems to be a disconnect if it's going to cost \$60,000 more for administration services even though you've taken on more in your portfolio.

But you'd explained that it is coming from another . . . When it's transferred from one portfolio to another portfolio, the funding is also transferred. Is this not correct? And if it is correct, then the \$60,000 seems to be a figure that is still up in the air as to why there's the increase.

Hon. Ms. Crofford: — Forty-four did reflect the increased rent of moving to the new accommodations because there was renovation costs and whatnot in getting the new office up and running. And then there was an additional 13 associated with the communications activities related to all the programs. So those would be the two figures that make up the 60.

Mr. Huyghebaert: — Thank you, Madam Minister. I just have a couple of questions or so on the Community Initiatives Fund. I note that your estimates are down considerably from the previous year. Last year's budget estimates were at 8.2 million

and this year the estimated expenditure is to be 5.9. This is a substantial difference of 2.3 million.

Since this amount is based on estimated net profits from gaming, I'm wondering if you could explain why on one hand — and based on your own numbers — your department is anticipating a drop in gaming profits yet on the other hand the government itself has predicted a significant increase in the gaming revenue?

Hon. Ms. Crofford: — This speaks to a particular part of the gaming revenue funds and this was the part that was set up under the Community Initiatives Fund and the First Nations Fund. And all that's changed is the relationship of who gets the money in that fund. The actual amount of money isn't the issue it's the relationship of who gets the money.

There's two users of that fund, the First Nations Fund and the Community Initiatives Fund. And if the casino was off-reserve 50 per cent of that went to the Community Initiatives Fund which is the off-reserve fund and 25 per cent went to the First Nations Fund. When those casinos move on-reserve that relationship flips and that's why it's called the flip clause, and 50 per cent of it then stays on-reserve and 25 per cent then goes to the Community Initiatives Fund.

And if there's growth in gaming it closes that gap even though there's a change in the relationship. But you would need a sufficient increase in profits to make the difference of the 50 per cent relationship having moved from off-reserve to on-reserve. So it still means that children and families at risk are getting this money. What changes is the location of where those children and families may be.

Mr. Huyghebaert: — Madam Minister, if I'm reading this correct does that give us a signal that there's more gaming revenue either in one area or the other that constitutes this two point . . . or 5.9 . . . \$2.3 million difference?

I understand your explanation of how the system works but it doesn't explain how the \$2.3 million . . . you say the money is still there. Is there more gaming in one jurisdiction, whether it's on-reserve or more gaming off-reserve that would cause this difference?

Hon. Ms. Crofford: — It's not a matter of whether there's more gaming; it's a matter of how the revenue-sharing formula works. It's no different than for schools or municipalities. There's a revenue-sharing formula. And so what changes is who gets what percentage of the funds. We've got, we've got that one nailed down, okay.

And then if total gaming revenues in the province go up, then the amount that's in that total pool to be revenue shared would go up.

Mr. Huyghebaert: — Thank you, Madam Minister. But I understand . . . And you gave me that 50 per cent . . . if it's an on-reserve, 50 per cent goes to the First Nations and 25 per cent CIF. It's off-reserve, 50 per cent . . . or the other way around, but it's 50 per cent and 25 per cent. But that doesn't explain the differential of the \$2.3 million. You indicated it's still all going to the youth of the province, but it's a \$2.3 million differential

that you haven't really explained why that differential.

And I understand the formula, but has the formula changed from last year is a question in itself? It's changed that much that the \$2.3 million differential?

Hon. Ms. Crofford: — The formula haven't changed. What's changed is who's benefiting from it. The people off-reserve used to benefit and now that the casinos are on-reserve, the people on-reserve benefit more. So that's what's changed.

And that would probably be the biggest change; it's just the switch in which fund the money is going into. Instead of it going into the off-reserve fund, it's now going into the on-reserve fund.

Mr. Huyghebaert: — I think, I think I have it now, Madam Minister. So that would suggest to me that this difference of \$2.3 million would now be going into the First Nations vis-à-vis the CIF. May not be a fair question for your department, but is this part of the ongoing negotiations with SIGA (Saskatchewan Indian Gaming Authority) because it deals with youth, and I'm wondering if you are involved in the ongoing negotiations with SIGA or if this in fact is one of the negotiating items within SIGA?

Hon. Ms. Crofford: — The flip clause is a negotiable item.

Mr. Huyghebaert: — Thank you, Madam Minister. Mr. Chair, are you involved in the negotiations with that then?

Hon. Ms. Crofford: — No, you would have to talk to the minister responsible for Liquor and Gaming for that.

Mr. Huyghebaert: — Well, Mr. Chair, it's looking like the SIGA (Saskatchewan Indian Gaming Authority) agreement is a 25-year agreement, so I think this is very, very important for the Minister of Youth, Culture and Recreation, if it's throwing money into the youth programs on reserves.

So I would think that the minister would be very, very keen on being involved in the negotiations if, in fact, this extra money is going into the youth program within the reserves.

I'm wondering if the minister could explain what her portfolio is doing to ensure that . . . where the money is going and how it's going? Or again, I would like to ask the minister if she is involved in these negotiations? Because it's very, very critical for the youth programs on- and off-reserve, and it's a fair bit of money if we're looking at a \$2.3 million differential right now, that is part of the ongoing SIGA negotiations. If the minister could deal with that one.

Hon. Ms. Crofford: — Well let me put it this way, I don't see that it's a question of right or wrong whether non-Aboriginal people or Aboriginal people are the stewards of the resources, as long as they're undertaking good stewardship of the resources.

So in this instance we would certainly work with the First Nations, both at the governance level — their government, the Federation of Saskatchewan Indian Nations — but also at the community level with their zone 9 sport council, with their

northern recreation coordinating committee, with all the people involved in the South doing recreation for Aboriginal youth.

And we would adopt a co-operative model where we sit down with their fund people and say, look these are the projects that the community's sending in to the CIF that they're looking for funding for, let's sit down and take a look at what people are applying to you for funding for, and let's make sure that between our two funds we're covering off the needs of children in the community, including the Aboriginal children.

And I have to say that it gives me no particular pride to say that I think this community has been very under-resourced in terms of recreation. And if they're able to provide some good facilities, and good programs — both on reserve and for their urban First Nations people — my concern would be more that the fund is well and thoughtfully used, rather than who necessarily has control of the purse strings.

Mr. Huyghebaert: — Well I support the concept of having it for the youth, there's no doubt.

Mr. Chair, to the minister. The minister was just addressing about the communities that benefit from the fund or how that's negotiated. Could the minister tell us how many communities benefited from the CIF in the last fiscal year?

Hon. Ms. Crofford: — We have it right here. Now this particular component of funding is used for relief of nutrition, hunger, for disabled services, sport, culture, and recreation, crisis intervention, health and well-being, school-based programs such as parenting, and others.

And in 2001-2, 336 separate community projects received funding totalling 2.3 million. And since the program became operational in June of 1996, 1,616 projects have received funding totalling \$9,729,220. And these funds are determined by the regional intersectoral committees which is made up of government and community volunteers.

And I usually hear about who actually got funding after all the decisions have been made and they submit to me the list of people who they've decided are representative of the needs in each particular community.

Mr. Huyghebaert: — Thank you, Madam Minister. I missed the number that you gave. I don't know if I just couldn't hear your voice. The number of communities — could you just give me that number again please?

(15:00)

Hon. Ms. Crofford: — A very quick count — although if you gave us some time to do it for you, we could give you a more substantial follow-up — 29 communities and 1,616 projects in 29 communities. Because again, keeping in mind that the fund is targeted at at-risk communities and sometimes that tends to be some inner-city areas and other places like that as well.

Mr. Huyghebaert: — Thank you, Madam Minister. Mr. Chair, could we have the minister get a copy of the communities and the programs?

Hon. Ms. Crofford: — We'll send a complete list of the communities and the projects that were funded to you.

Mr. Huyghebaert: — Thank you, Madam Minister. Now I guess a natural follow-on question would be, we just talked about the CIF and with your explanation that the \$2.3 million that's being dropped from the CIF, as I know we already discussed it's going into the other fund, but based on this \$2.3 million loss I would suggest that's going to have quite an effect on the communities that will receive funding for this year.

How many communities do we anticipate will lose, or how many will get funding for this year based on the \$2.3 million loss?

Hon. Ms. Crofford: — We're not expecting anyone to lose funding because once the Moose Jaw casino opens there'll be a sufficient increase to compensate for the casinos that moved on-reserve.

Mr. Huyghebaert: — Thank you, Madam Minister. But we still are projecting a \$2.3 million loss, are we not?

Hon. Ms. Crofford: — We are expecting Moose Jaw, again as I say, to pick up the slack as it comes on stream and in the interim there was sufficient unallocated surplus to keep those other organizations.

It depends on their projects. Some of them have one-time projects, they're not all sustained funding. For example there is a cultural facilities component of the CIF fund and those people, once they've done their project it would be done. So it might slow down if you were short who could come on stream. But nobody who already had a project approved and in process would find themselves not able to do it.

Mr. Huyghebaert: — Well thank you, Madam Minister, but in the estimates it clearly has an 8.2 million to a \$5.2 million reduction which is a two point . . . there's \$2.3 million differential in estimates. It says nothing about increased gaming from a casino in Moose Jaw. It's in the estimates that there is a \$2.3 million reduction. It does not stipulate that yes we've got \$2.3 million reduction but it might come back on if in fact the casino comes up and if in fact there's more profits at the Moose Jaw casino. That's not included in the estimates.

So I'd just like again for you to confirm that in fact the CIF will see a \$2.3 million reduction in this fiscal year.

Hon. Ms. Crofford: — Until that kind of an allocation is actually determined, there is a surplus in the fund and that will be used to keep the fund whole until such time as there may be new revenues in the fund. It's not unlike the Fiscal Stabilization Fund which you enjoy so much.

Mr. Huyghebaert: — Madam Minister, I don't think we wish to go there. But in fact . . . (inaudible interjection) . . . well the reason I'm insisting is because in your estimates it says \$2.3 million reduction. And where I'm coming from on this is if we have a \$2.3 million reduction in the CIF there's going to be communities that are affected. So I think we have to clearly establish first if in fact there's a \$2.3 million reduction as indicated in the estimates. And I would like you to confirm or

deny that.

Hon. Ms. Crofford: — Yes, I'm having a hard time deciding which is the best analogy to use but what I'll just say is that we allocate the money to the fund. The fund has a board of trustees. Now they manage the fund and they have enough surplus in the fund to keep paying at the same level even though they don't have new revenues coming in at the moment.

So the fund trustees do manage the fund. And the fund doesn't have to spend all of its money in every year. It can acquire a surplus and it can carry that surplus forward.

Mr. Huyghebaert: — Mr. Chair, again to the minister. So what you're saying is that there's \$2.3 million less that's going into the management of the fund.

Hon. Ms. Crofford: — There would be 2.3 less that's going in as new dollars into the fund, yes. That's right — for now.

Mr. Huyghebaert: — Can the minister show me for now where the money is coming from and how many dollars are coming in before the end of the fiscal year?

Hon. Ms. Crofford: — Okay. I'll just refer you back to page 37 again, to our summary page, and it shows the estimate in 2001-02 at 8.197 thousand, and then in 2002-03, down to 5.901 thousand so that's the 2.3 you talk about. That shows you the reduction right there.

Mr. Huyghebaert: — Well, thank you, Madam Minister, that confirms I can read. But you were talking about the \$2.3 million is not going to be a cut in the program because we're getting more money put into it later on. And that's where I can't find in there — is where this more money coming later on in the program is coming from. Can you explain?

Hon. Ms. Crofford: — I think the simplest way I can explain this to the member is because there is a fund and the fund has a board of trustees, they issue an annual report every year. So they will have 2.3 million less flowing into the fund in this budget year, because you make those decisions on a year-by-year basis.

So you're right. On this budget year, 2.3 less, but the actual amount of the fund is what they get every year and what they have minus what they've allocated. So they have some amount of surplus that they would have allocated a portion of but not necessarily 100 per cent of it. And they publish a separate audited report on how they manage the fund.

Mr. Huyghebaert: — Mr. Chair, I'd like to ask the minister if in fact she sits on this board or sits as a representative of the board. Because something that . . . it's kind of puzzling as yet is we're putting 2.3 million less into the CIF but there's a surplus from last year. Well if there's a surplus from last year, then the communities that ask for money from the CIF last year, why did they not get money?

It's again playing with, playing with dollars and saying; we won't give it out this year so we have a surplus for next year. I'm wondering if that's what the minister is doing — playing, playing a little give and take. Or how in fact that there can be a

surplus in the CIF from last year and yet \$2.3 million less this year and state that it's going to be balanced off, I believe, is what the minister is saying.

So that would indicate to me that there's \$2.3 million surplus there last year. If that's the case, why didn't we use it for some of the community initiatives rather than just the number that you gave me — 29 communities that received funding? Why didn't we have more funding last year? Was this in a program plan to say, let's not spend last year's so we can have a surplus this year? I'd like the minister's comments on that, please.

Hon. Ms. Crofford: — Yes, I'd have two comments on that, as money doesn't always burn a hole in your pocket. It doesn't hurt sometimes to leave some aside for other priorities. And even whether there is money or not, there are still criteria. And some communities who are not happy about not getting funds did not meet the criteria established by the board of directors.

Now there certainly are many municipalities in the province have surpluses who have decided not to spend them on stuff that their communities would probably rather see them spend it on. This is not uncommon for people to not decide to spend 100 per cent of their money.

Now certainly if that surplus was to seem to be excessive . . . and we were being cautious even in our dealings with them because we didn't know totally how much money there would be from casino revenues, and rather than get a very high expectation built up of monies flowing and flowing, I think the intention was to be more cautious and to not assume a profit level would be there until they were sure it was there.

So I think until we see the impact fully of the movement of the other casinos onto reserve, they'll bring their surplus down a bit in this next year. And then as Moose Jaw comes on stream, we'll have a more realistic estimate of what amounts they could depend on, year over year.

However if it does seem that there's a more than a prudent surplus there, there certainly would be the ability to look at whether there's more communities that qualify for cultural facilities or other things. And again, this would be a discussion that we would sit down with the board of directors . . . or the trustees and say, have you considered. Because they do have some independent authority from government.

Mr. Huyghebaert: — Thank you, Madam Minister. I guess I would . . . I don't believe I have a copy of the annual report, if that also could be tabled. Because from your previous answer that suggested that the \$2.3 million that will not be paid into the fund, yet they can . . . they're not going to experience any loss. That would indicate to me that there's a \$2.3 million surplus in the CIF. Could you confirm that?

Hon. Ms. Crofford: — I'm just going to . . . I'm sorry. I missed your question because we were discussing whether it was okay to take the copy that we have here and send it across because it's . . . then I won't have it to refer to; it's our only copy. But I could send this copy across to the member, of the Associated Entities Fund annual report.

And if the member will indulge me to repeat the end of the last

question.

Mr. Huyghebaert: — Yes, Madam Minister, to the Chair. From your previous remarks that this \$2.3 million is . . . will not be put into the CIF this year as monies put in, but I think you explained that none of the programs would really be affected because you're going to use surpluses.

Would you confirm that the CIF then had \$2.3 million surplus in its fund from last year because that's the balance that you're not putting in this year? And yet you're suggesting that the programs are going to be identical or exactly the same or the funding level is the same. So that would indicate to me there's \$2.3 million surplus from last year in the CIF. Could you confirm that please?

Hon. Ms. Crofford: — They did have enough surplus funds to cover that, yes.

Mr. Huyghebaert: — Thank you, Madam Minister. Again from a community perspective, knowing that there is this surplus in the CIF . . . and I know there's an awful lot of communities that applied and whether it was by reason of not qualifying under the regulations . . . I don't think any of us have access to all of those . . . or some of your staff may have access to the communities that did not receive funding and for what reason.

Madam Minister, I would ask if you have a list of those communities that applied for funding but will not receive funding?

(15:15)

Hon. Ms. Crofford: — I do have a list from the cultural facilities, but not for the . . . just the general grants because, I mean, I think there . . . they get lots and lots and lots of applications.

So I do know on the facilities ones which were deferred, I think, for different criteria to be met before their application could be finalized and then there's a list here of ones that were rejected because they didn't meet the criteria. Now it doesn't mean that, over time, it wouldn't be possible for communities too to suggest that the criteria need changing. But I could read to you the current criteria if you're interested.

Well we'll send . . . Mr. Chair, we'll send over the criteria to the members opposite.

Mr. Huyghebaert: — Thank you, Madam Minister. I think there's a lot of communities out there and I know some that have applied for funding and did not receive. And I'm wondering if your department actually answers all of the applications and to suggest as to why they do not receive the funding or are they left in the lurch?

Hon. Ms. Crofford: — I just wanted to make sure I was explaining to you properly the process. The regional intersectoral committees are made up of people from the communities of between 6 and 12 people who make recommendations, based on their knowledge of the community and the offerings, to the board of trustees who has six people.

And they make their decisions based on what the regional intersectoral committees recommend.

So there's quite a thorough community process, but I'm not involved in it. And our staff sometimes are represented on the RICs (regional intersectoral committees), but are not part of the final decision-making process at all.

Mr. Huyghebaert: — Well thank you, Madam Minister, and Mr. Chair. I'm wondering if there is a . . . if there's somewhere within the process where if somebody applies for funding through the CIF and if there's a process where they, whether it's through your immediate staff or through one of the other boards, that they will be . . . they will get indication as to why they did not receive the funding?

I know from being involved with some of the communities that ask for funding, and if they're just left completely in the dark, what do they do, they feel that they are totally ignored. So I'm wondering if there's a process that's available whereby if somebody applies for funding and the group that sit down and suggest that no, they don't qualify, if there's return correspondence that suggests you don't qualify for reasons A, B, or C, so when they wish to reapply in another year that they can actually reapply and conform to the guidelines?

Hon. Ms. Crofford: — I know, because we've had some instances where an unhappy community will call my office, I know that every applicant receives a letter explaining the particular reasons why they didn't qualify and what they would need to do to qualify. And if they're still not sure, people will work with them to help them develop their application and see if there's any way they can meet the criteria.

And like I say, if we were to see a sufficient number of examples coming forward where the criteria seemed in some way to be unfair or unduly limiting a community's opportunity to do something that was deemed important under the purposes of the fund, then certainly there would be a thoughtful discussion of the criteria. But I know that quite a bit of effort is put into not only making sure they know why they didn't qualify, but what they would need to do in order to qualify.

Mr. Huyghebaert: — Thank you, Madam Minister. That answers that for me, because I like to see the loop complete so they do understand it. And, Mr. Speaker . . . or Mr. Chair, I'm going to turn this over to my colleague for the next few questions so I can get a little break.

Mr. Hart: — Madam Minister, I'd like to turn my attention . . . your attention to the Saskatchewan Communications Network. I see this year that there's a slight decrease in funding to that organization. In your Estimate books . . . book, it tells us that basically this SCN (Saskatchewan Communications Network) has two purposes: one to provide the infrastructure for education and distance learning and those sorts of thing and the other one is to . . . supports Saskatchewan regional film and video industry.

Could you give us a breakdown as to approximately how many dollars are spent in those two areas of activity?

Hon. Ms. Crofford: — Well you've managed to ask me a

question I can't answer. I do know that they have a very substantial role in each. But having just recently been given responsibility for this . . . And we should have had someone here representing SCN today — we don't. We certainly could bring them back on another occasion, but in the meantime we'll undertake to provide you that answer in writing.

Mr. Hart: — Thank you, Madam Minister. And certainly a written answer would be adequate in this case.

I suppose another question that deals with SCN but not in perhaps that detail, but your sense of where that organization is going. Are you looking at perhaps having it involved more so in the support of the film and video industry in Saskatchewan?

I know I have a number of taxpayers and citizens of this province ask me why does Saskatchewan need to have its own television network. And Madam Minister, frankly, I can't answer that question. I do provide a partial answer saying that I believe there is . . . As I indicated in my earlier question, that one of its functions is to support that distance education.

But I guess where the citizens and the taxpayers are coming from when they look at the number of channels available to the average person, particularly those people subscribing to some of the satellite services that are out there, of course then they ask the question why are we spending over \$7 million just to have another TV station out there. Could you please comment on that, Madam Minister?

Hon. Ms. Crofford: — As much as I appreciate the broadcast side of SCN and the role they play in the film industry, I'm going to talk about the three areas that they really have a strong role.

Now I don't know if you know, but in order for people to get film funding from Telefilm Canada or anything, they need to have a first-in broadcaster. And people in Toronto aren't that interested in being a first-in broadcaster for a Saskatchewan story. So if Saskatchewan people want their stories told, it's very important to have a first-in broadcaster, and so it becomes then important that you have someone in Saskatchewan, or at minimum in the Prairie provinces, who will place a priority on Saskatchewan film and video products.

The second area . . . And according to SCN's data here, they've triggered 70 million in other funding on local production over the past 10 years. So certainly, just on that front alone, they've paid their way in terms of any taxpayers' dollars they get.

But a more important role that SCN has had, and I think they could have an even more expanded role as a Prairie region organization, is the e-learning division. And those operate distance learning networks that link the provinces — universities, SIAST (Saskatchewan Institute of Applied Science and Technology), regional colleges, high schools, and government departments — using a variety of technologies including video over satellite, media streaming, and Web-based learning systems.

Now if you're a student in Hudson Bay, if you're a student in Kindersley, if you're a student in La Loche, it's very possible that some of the educational broadcast you're getting is coming

through the technology supported by SCN.

There's agricultural students taking classes at the agricultural college who don't actually live in Saskatoon. There's a huge amount of work going on in the secondary school system with things like calculus classes where they can't get a calculus teacher so it's delivered through an SCN site to other high schools in the province. And there's just a wide range of things like that going on.

And again some of the other provinces don't have this capacity because they don't have a television station and they're looking at whether they might want to link into the surplus capacity in our network.

And the third very important thing they do is they enhance the CommunityNet to provide high-speed Internet in places that don't have actual on-the-ground cable. We can use our satellite system that we use for SCN to provide the uplink for cable, or for pardon me — high-speed Internet.

So as well, make sure that we have a much wider and more comprehensive coverage of the broadcast from the Legislative Assembly than we would get with commercial television stations who don't have the same reach that SCN does at the provincial level.

So I think we actually have quite a little gem here. And I think it's incumbent on all of us to think about how we can get even more value out of something that's very rare in Canada — a television licence that enables you to do a great deal of important educational, cultural, and industry development by virtue of having that tool. And certainly I would say the value far outreaches any tax expenditures on it.

Mr. Hart: — Thank you, Madam Minister. I think I heard you say in response to my first question that perhaps next time we do the estimates, your estimates, you will have someone here for SCN so that we can perhaps delve further into the operation of SCN. And I will look forward to that opportunity.

I just have one or two other questions in another area, Madam Minister, and that is under the area of heritage and tourism facilities. I noticed that the funding to Wanuskewin this year, Wanuskewin Heritage Park, remains the same as it was last year, yet the Saskatchewan Science Centre is receiving \$450,000 increase in funding.

We keep hearing from the people who operate the Wanuskewin Heritage Park that they are in desperate need for additional financing. And I wonder if you could just explain why the science centre is receiving an increase of some \$450,000, and yet Wanuskewin receives no increase?

Hon. Ms. Crofford: — The funding is fairly similar for Wanuskewin and the science centre. I think there's a difference of about \$100,000 because Wanuskewin also has some other federal funds and whatnot, I believe, that the science centre doesn't have. But I think, on par, the funding is pretty similar.

Mr. Hart: — Madam Minister, though, according to the Estimate book though, there has been a . . . this year there has been a \$450,000 increase to the science centre, yet the . . .

there's been no increase to Wanuskewin. So I'm wondering from your department why the difference in . . . why the increase to the science centre and no increase to Wanuskewin?

Hon. Ms. Crofford: — Wanuskewin was already getting funding, so there wasn't the same need for an increase. The science centre didn't receive provincial funding other than we had given them a one-time funding on an emergency basis before when they were unable to meet their payroll, etc. And we've attached fairly stringent conditions to the funding that's going to the science centre in terms of a business plan and management plan.

(15:30)

Mr. Hart: — So I take it from your answer that you just more or less decided that the science centre should have some money this year whereas Wanuskewin, perhaps there . . . they have a greater need but their funding is going to remain at the same level. I mean, I . . . somehow just . . . things don't seem to be very clear in your answer, Madam Minister.

If there's a real need in a particular project that's happening at the science centre, I think we would all agree that it's a worthy project and deserves funding. But if it's just the matter of okay, well, you've never had funding so this year we're going to give you a pot full of money and do with it . . . do some good things and so on, it seems to me that doesn't seem to be a very substantive reason for the increase in funding.

Hon. Ms. Crofford: — Just mention that last year, Wanuskewin's funding went from 250 to 500,000.

And this year, all of the regional economic development authorities, the mayor, the local councillors, the board of directors of the science centre were all very adamant that unless they received an anchor, funding from the government, that they could not continue to operate. And because the centre is so important to youth becoming aware of careers in science and technology, being able to have the kind of experiences that the science centre provides — we got letters from hundreds of teachers and school boards, school districts around the province — it appears that the science centre is considered a very valuable asset for both educational and tourism purposes.

And both facilities — Wanuskewin, when they got their large increase last year and the science centre when they got their increase this year — are both required to have a business plan. And Wanuskewin has verified to us, since their increase last year, that that business plan is now in place and that they feel that their operations have stabilized, and they feel that they're okay at the moment.

Mr. Hart: — Madam Minister, it's not something that we're hearing in the . . . from Wanuskewin, the folks associated with Wanuskewin. They seem to tell . . . they tell us that they need additional funds.

And it seems somewhat curious that, you know, the increase last year, you mentioned Wanuskewin got \$250,000 increase in funds. This year, the science centre gets 450. And don't get me wrong. I agree that probably the science centre needs to . . . it does a lot of good work and should be adequately funded. But it

just seems somewhat curious that the level of increase to the science centre this year from 150,000 to 600,000 seems a bit large, and I was wondering if perhaps some of that increase could have been funnelled to Wanuskewin.

Hon. Ms. Crofford: — I'll just point out that the member seems to be discounting the 250,000 that Wanuskewin was already getting before they got their \$250,000 increase. So that brought them up to a total . . . and they had been getting that 250,000 the science centre had not been getting before; 250. It had been getting 150, I believe.

Mr. Hart: — Well, Madam Minister, as I said earlier . . . I mean, I certainly feel that both of these parks . . . or the heritage park and the science centre's a worthy project and need to be funded by your government. It's just, I guess what I'm questioning is the size of the increase of . . . that Wanuskewin saw last year and the size of the increase in funding that the Science Centre is seeing this year.

And I guess when one stands back for a moment and looks at that and the disparities in the size of increase in funding, would it have anything to do that the science centre is located in Regina and Wanuskewin is located in Saskatoon?

Hon. Ms. Crofford: — Both projects are adjudicated based on their own needs and merits.

And certainly it would be true that Wanuskewin has more access to both federal and First Nations funding. There's absolutely nothing to prevent the Federation of Saskatchewan Indian Nations to direct some of the gaming funds towards Wanuskewin. And there's certainly nothing to prevent the federal government for being an active partner in Wanuskewin. And so I would say that they have several sources of funding that perhaps are not open to the science centre.

But each continues to be evaluated based on their management plans and their level of need. And fair isn't always a dollar for a dollar. Fair is sometimes depending on what the actual needs at a given time is. At some point, somebody might need to do exhibit redevelopment, which is more expensive than maintenance. It really depends on what the specific projects going on in the two locations are at any given time.

If a person just builds a new hotel it doesn't necessarily need the same expenditures as an old hotel. It depends very much on the circumstance at the time.

Ms. Draude: — Thank you, Mr. Chair, Madam Minister, and your officials. I listened with interest to your comments and it sounded to me more like a squeaky wheel gets the grease is what you were saying.

Madam Minister, I'd like to talk to you for a few minutes about the heritage department. It looks like there hasn't been any real increase in the heritage operations grant. I'm not sure if you have the officials here to answer the questions on it, but if you can give me an idea of how many projects were approved last year and if the mandate of that actual department has changed at all?

Hon. Ms. Crofford: — Mr. Chair, I'll just mention to . . . Or,

Mr. Deputy Chair, I'll mention to the member that we just have assumed responsibility, and at this point, there's been no changes at all in their mandate.

I couldn't tell you without somebody actually doing a bit of research specifically what projects were approved last year, but if you'd like us to get you that information, we certainly could.

Ms. Draude: — Our province is really a young province but we have a lot of heritage facilities that are falling down. And we see that many times the local communities just do not have the funds to enable them to keep this in repair.

Is there going to be a change in mandate? Is there something where you're going to be looking at specific areas of the province to maintain the historical value of some of the buildings and places in this province, so that we have something to hand down to our children?

Hon. Ms. Crofford: — I appreciate the member opposite's view on this matter. I certainly do think we have many things that are worth preserving. And I guess the discussion we'd have to have is what would that cost and how much is it worth. Because certainly there are literally thousands of heritage sites in the province, particularly if we look at things like old homesteads and whatnot, which are a particular interest of mine.

So I would just have to say that one of the reasons we're very glad that heritage has come into the Department of Culture, Youth and Recreation is so that we can take a good look at the policy and see whether in fact we do need to change any of our policy in the heritage area. We may have just the right policy or we may not, but this'll give us a chance to, I guess, have a closer look at it.

And any comments or suggestions that the member opposite could provide are certainly welcome, because I think . . . I agree with you that it is very important and we need to be thoughtful about what we do to protect things that once they're gone, won't come back again.

Ms. Draude: — Madam Minister, your department is one of diversity of interests. And it's kind of interesting that we have SCN, which is looking to tomorrow and the heritage part of our province, which is looking to yesterday.

And I'm wondering if there's any kind of overall vision or plan within your department to actually give some kind of lead to the people saying this is what we're doing here. The actual heritage operation support, the same amount of money has been spent for the last number of years, I believe, and I'm wondering how you're balancing these two areas of interest for the people of Saskatchewan.

Hon. Ms. Crofford: — Well I think the strongest statement that's been made by this government is incorporating all of these into one department where we can get some momentum going with all of the huge assets and resources. We have, both from the point of view of community-building, but again as I mentioned from a tourism perspective, when I talk to tour operators, they say to me, you know there's a lot of good resources and assets out there, but people don't understand what

tour operators need when it comes to making the best use of a heritage facility or a museum or a science centre or a Wanuskewin.

So I think one of the things the department is going to be able to bring to it, is bring a cultural industries, a heritage industries perspective, where not only are these things important assets, but there's a value added for those communities that have these assets, if we are thoughtful about how we hook into both our local enjoyment of these things, but the tourism and economic development aspects of these things as well.

Ms. Draude: — Madam Minister, I believe that when people around the province who aren't as deeply involved in what happens in the workings of the government as perhaps the people in this room are, they look at this department and wonder where . . . really what the mandate is. And it's youth, culture, recreation, and lots of other things that you can't find in another department.

I think some of the interest . . . some of the important aspects of what you have are sometimes lost and I'm waiting to hear if you have an overall mandate of your department that's going to give people an idea that there is a . . . that you have . . . that it really does have some influence in the province and some impact on its economic future.

Hon. Ms. Crofford: — The member might have been out of the room when I articulated this for my critic earlier, but there's basically three functions that the department serves.

One of them is . . . I would call both individual and community development because the areas of culture, sport, and recreation are certainly areas where many of us received our developmental activities when we were young and growing up, unless we went to cadets.

The next thing I would mention is that there is an economic development component. More and more people in all of these sectors are working on economic development, tourism, those kinds of things. And I think we have underplayed the strong role that all of these provide a number of either sometimes secondary jobs for people, sometimes primary jobs for people in the many festivals, fairs, etc., that take place around the province — and certainly sporting activities, as Humboldt recently found out and the member opposite from Humboldt found out during the winter games there.

The next one that I would mention would be the aspect of celebrating who we are. Because I don't know, when I watch TV, read a book, go for a drive, I like to know that I'm going to see Saskatchewan people, Saskatchewan towns, Saskatchewan celebrities, and Saskatchewan heroes — not necessarily Chicago or Los Angeles or New York, as lovely as all those places are. I think we want people to see who we are and say, that sounds pretty interesting; I think I want to go check out that Saskatchewan.

Ms. Draude: — Madam Minister, directly dealing with the heritage operation support and the board, can you tell me if the board structure has changed at all and actually how many projects this board had to look at last year in order to approve grants for them.

Hon. Ms. Crofford: — The structure hasn't changed. There are some board appointments coming up, I understand, and they do have an annual report that's tabled. I think we would have received a copy last summer. But certainly we can get that information over to you.

Ms. Julé: — Good afternoon, Madam Minister, and good afternoon to your officials. Madam Minister, just as a follow-up to a comment that you just made to the member from Kelvington-Wadena in reference to your mandate. Part of your mandate is individual and community development, and of course that includes the development of children.

Madam Minister, I'm deeply distressed and concerned about an advertising that's on television right now, put on television I believe by SaskTel, promoting SaskTel's service, Internet-wise, as well as, you know, Web sites that can be accessed.

That commercial, Madam Minister, shows a very young boy obviously tapping into something on the Internet that he should not be . . . should not be looking at because part of the commercial shows him looking into it but his parents coming into a room and him immediately, and kind of in a sneaky fashion, shutting — shutting this Web site off. And it's portrayed as though it's kind of a cute little thing.

Madam Minister, for some years there have been a number of people in our province concerned about problems, you know, associated with youth, and youth being subject and having access to things that really are detrimental to them.

I'm wondering if in fact you, as the Minister of Youth, Culture, and Recreation, have corresponded or discussed this commercial and whether or not it's a very wise thing to do, with the minister of CIC (Crown Investments Corporation of Saskatchewan)?

Hon. Ms. Crofford: — I hadn't seen the commercial myself, but one of my colleagues here has and he says apparently it's about a kid playing a game on his computer instead of doing his homework, which I think probably kids have been doing since time immemorial.

But what I will mention is that through our CommunityNet, one of the things we're able to do for schools province-wide is block sites that the children shouldn't be on. So children in schools under CommunityNet will not accidentally get material that the teachers don't intend them to have.

(15:45)

Now sometimes it's very difficult because of the way sites are labelled, but certainly we have probably one of the more sophisticated blocking systems in place. And again because we operate a province-wide system on CommunityNet, we're able to do that blocking province-wide and each individual school doesn't need to do it.

As to the game the child is playing on the ad, I would have to see the ad before I wrote any letters about it. But certainly other people here who have seen it didn't read anything into it other than a child caught fooling around when they're supposed to be doing their homework.

Ms. Julé: — Well thank you, Madam Minister. Well I guess it's a matter of what each person may understand about that commercial. It has been brought to my attention by significant community leaders that are really concerned that it may be something that should be taken off the air.

Madam Minister, I just want to bring to your attention another situation happening in Saskatchewan that involves youth and that is totally unregulated; and that's the increased incidence of raves in our provinces.

We have raves where young people are attending, and certainly within themselves I guess, raves may not pose a great danger; however as unregulated as they are in the province, there are numerous dangers associated with them and problems arising from them. In fact I believe it was about a year ago that we saw in the paper in Saskatoon, or at least it came to our attention, that a young woman had died at a rave.

I'm wondering whether or not your government, Madam Minister, has looked into the kinds of legislations in other parts of the country that have been put in place in order to regulate raves? At the present time, Madam Minister, anyone basically can be hiring . . . or not hiring, but getting a place for a rave to take place; promoters that may be or may not be drug dealers that are seeming to have all kinds of permission to just go ahead and end up having these things without any regulatory conditions put on them. In fact they don't even have to have a licence at this time so there's no one monitoring who these people are, there's no one monitoring what kind of activity is going on there. And, Madam Minister, there's no knowledge by the police of these things even happening until after the fact.

So I would like to know, Madam Minister, in your role, if you have had the concern about this issue brought to your attention and whether or not you intend to do anything about it?

Hon. Ms. Crofford: — Well the only rave I personally attended, well I've been to two or three, but the only ones I've personally attended had security guards. And the security guards were retired police personnel, they were retired teachers. And I think it really is up to the people who rent facilities to people wanting these to have requirements about how their facility can be used. And certainly in the case of the ones I attended, one of them at the Caledonian Curling Club and another one at the Cultural Exchange Society, they have their own rules regarding security.

And I don't think personally that you can regulate an event any more than . . . Certainly in schools, they've had situations where they've had to take police dogs in and find drugs in lockers and whatnot. Well we don't stop people from having the school. But what you have to do is make sure that the regulatory environment that regulates where young people can drink . . . People who own halls certainly have a responsibility to know who they're renting them to and how they're used when they're rented.

I certainly wouldn't contemplate myself going beyond that. Because to select out one particular type of recreational activity and condemn everyone involved in it as being some kind of a junkie would not really be a legitimate thing to do.

Ms. Julé: — Madam Minister, it's not a matter of condemnation. It's a matter of making sure that other . . . that things are put in place. For instance, you know . . . Maybe I should be talking to the Minister of Justice about this. But other jurisdictions have seen the need to put in provincial regulations — regulations pertaining to the age of admission.

Right now in Saskatchewan, from what I understand, there's no regulations that refer to the age of young people that may be able to come to the raves. A lot of youth that maybe were not involved in drugs before are now subject to having drug pushers push them. There's a great number of drugs that are causing . . . that are very dangerous in their combinations to a young person's or anybody's body, for that matter.

There is, for instance, Madam Minister, there are at these raves because of the environment and the effect of the drugs on young people, their body temperatures can be raised to a very dangerous degree. The people that are promoters are selling water at these things at an exorbitant price. Youth do need water in order to cool their bodies down in this event.

I mean, there's so many things that have to be looked at. And we have in this province a need to take this issue quite seriously. And I would request that, Madam Minister, that you maybe look into it. I'm not too sure what the situation in Regina is but I know that it's becoming very worrisome and a great concern to many people in Saskatoon.

Hon. Ms. Crofford: — I guess I'll just say that I think a lot of the most extreme stories we've heard about this come out of Britain, which is a different cultural milieu there. And certainly what I've witnessed at these events is that they have a lot of multicultural activity. They have a lot of inter-arts activity. They have dance demonstrations and different things that are really quite often involving young arts students from the university.

So I think the culture of raves is a little different here. I don't want to become a big defender of it because, of course, people are up all night, I think, for the most part.

But to get into regulating something where we already have an environment that regulates drinking ages, attendance ages — and certainly, I would think that parents still have a role to play in this. I mean, you should know where your children are. One of the biggest complaints people have about governments is that we're too invasive in people's lives in a regulatory way.

And I do believe in a modern, global society with Internet and all the other things that people have to learn how to be self-regulating and to make good, healthy choices for themselves. And I don't necessarily assume that that involves an ever-increasing number of regulations. I think that it really is more on the educational front that we need to make sure people understand the choices they're making.

Ms. Julé: — Well, Madam Minister, there is a reason that other provinces have brought in provincial legislation. I think we can't underestimate how these things can get out of control.

And, Madam Minister, the fact is we do have regulations in this province about youth using alcohol — underage youth. And I

think we need to make sure that those same kind of laws pertain all throughout the province, no matter what the scenario, no matter what the function going on.

And in this case, at raves, we do have a very serious concern with a number of different drugs there. And the congestion that happens at raves, the numbers of people there, you know, lend to it being very easy for drug dealers to pass on drugs or for an exchange to be made. And so I think we need to look into this and take it quite seriously.

But I thank you, Madam Minister, for your comments. I wanted to bring this to your attention because it's a matter that's becoming increasingly and more obvious in need of attention. Thank you.

Ms. Draude: — Mr. Deputy Chair, Madam Minister. Madam Minister, I want to emphasize the words that were spoken by the member from Humboldt. I had an opportunity to go on a ride-along with the city police in Saskatoon last winter and they were discussing the kind of functions that the member was talking about and underlining their concern that the drugs and the parties that go on at that time are difficult for them.

So, Madam Minister, I don't think that the member is alone when she comes to her concern.

Madam Minister, I would like to talk to you about another area and that's involved with the film, SaskFILM, and the tax credit. This is something that your government brought in a number of years ago, and I'm wondering if you can tell me last year how much money was spent on film credit for SaskFILM?

Hon. Ms. Crofford: — Oh, here you go. I'll give you the total bi-fiscal year. April 1999 to March 2000, which was the first time period where the film tax credit could be accessed, it was 990,033; in 2000 to 2001, it was 4,212,809; and in 2001 to March 20 — which is all the year that we have again — 3,719,558 is the total on expenditures.

Ms. Draude: — Madam Minister, how many different companies took advantage of having the tax credit for film?

Hon. Ms. Crofford: — Just this year it's 20 different companies.

Ms. Draude: — Madam Minister, the way the tax credit is set up, it's not the companies as much as the project, I believe. So you can have . . . one individual can be given a tax credit for working on a project with one company, and then two months later be working for another company, is that correct?

Hon. Ms. Crofford: — The tax credit is based on employing Saskatchewan personnel, so you can't get a tax credit unless you've actually employed Saskatchewan personnel.

Ms. Draude: — Yes, Madam Minister, I understand that, but that personnel could be employed by one company and then be on another film and be employed again. So when we talk about the number of people that would be employed in the . . . We wouldn't be able to talk about the number of people who would be employed on this tax credit because they could be employed under two or three different company names. Is that correct?

Hon. Ms. Crofford: — I think the important thing to know is that no dollar is issued without there being a person attached to that. So whether it's the same person or different people is largely irrelevant. What is important is that it's Saskatchewan people who are maintaining employment in an industry that is growing by millions every year and creating even more opportunities for people from Saskatchewan to be employed.

We know approximately what level of production creates how many jobs as a ballpark. But this is an industry much like IT (information technology) where people work a bit of time here, a bit of time there. So if you took the total tax credit and . . . or the total production value and divided it by the number of jobs created by certain levels of production value, that gives you a pretty good estimate in the industry for the number of jobs created. Otherwise we'd have to have every company's payroll to know the details.

Hon. Mr. Lautermilch: — Mr. Chairman, I move the committee report progress on the Department of Culture, Youth and Recreation and move to Industry and Resources.

(16:00)

**General Revenue Fund
Industry and Resources
Vote 23**

Subvote (IR01)

The Deputy Chair: — I invite the minister to introduce his officials.

Hon. Mr. Lautermilch: — Thank you very much, Mr. Chairman. To my right is the deputy minister of Industry and Resources, Larry Spanner. To his right is Debbie Wilkie, who is the executive director of corporate resources. To my left is Dan McFadyen, assistant deputy minister of resource development. Immediately behind me is Donald Koop, the assistant deputy minister of mineral, revenue, and investment services. And to his right is Bruce Wilson, executive director of petroleum and natural gas. As well, behind the rail, Bryon Burnett, the assistant deputy minister of industry development; and Jim Marshall, who is the assistant deputy minister of economic policy.

Mr. Stewart: — Thank you, Mr. Chair. Mr. Minister, I would like to welcome the department officials. We really do appreciate the work that they do and how they help us out in this exercise that we go through in the Assembly and how they are a great help in disseminating information from the department to the Assembly and to the people of Saskatchewan. We do appreciate them. Mr. Minister, if I can start with some general mining questions. What was the total value of mineral sales, all mining sectors, in the year 2001?

Hon. Mr. Lautermilch: — Mr. Chairman, the total of oil, gas, and mineral sales are 7.374 — that would be . . . (inaudible interjection) . . . That's billion — \$7.374 billion.

Mr. Stewart: — Thank you, Mr. Minister. Mr. Minister, would you have the information handy as to what portion of that was oil and gas?

Hon. Mr. Lautermilch: — Mr. Chairman, oil and gas was 3.657.

Mr. Stewart: — Thank you, Mr. Minister. Mr. Minister, how much, approximately, would the industry have spent in the year 2001 on wages, goods, and services in the province of Saskatchewan?

Hon. Mr. Lautermilch: — Mr. Chairman, I'm told by my officials that there are 8,500 people employed in the development of the oil and gas sector. There is in the neighbourhood of \$1.4 billion spent on that activity. We don't have a breakdown in terms of the specific payment to individuals or by companies, as you would know. That would be not information that would be filed with the department.

Mr. Stewart: — Thank you, Mr. Minister. Mr. Minister, in the year 2001, do you know how much the mining industry paid in taxes and royalties to the province of Saskatchewan?

Hon. Mr. Lautermilch: — Now, Mr. Chairman, I don't have the finals but I would assume these would be very close for the 2001-2000 year, fiscal year. Oil would be 496,700; the natural gas would be 127,400. These are all in thousands, by the way. Potash would be 161,000; uranium and coal . . . And I am told these are confidential here now. Okay, potash would be, as I said, 161,000; and other would be 39,600 — that includes coal, uranium, and other royalties.

Mr. Stewart: — Thank you, Mr. Minister. Mr. Minister, how does Saskatchewan rank among the Canadian provinces in, oh, in mineral production? I'm referring to mining production here, not oil and gas.

Hon. Mr. Lautermilch: — Mr. Chairman, I guess this would be a very opportune time to speak to the success that our province has had. We have surpassed British Columbia and are now third in terms of mineral activity in the country.

Now that's not to say that we couldn't do better. We are attempting to, as you will know following the Energy department as the critic from the opposition side, we have revamped base metals and gold royalties; we have introduced some incentives; we have revamped the potash royalties and taxation regime. Uranium — I believe that's completed now. As well we've been very diligent in terms of our oil and gas revenues to ensure that we're competitive in that regard.

So I think when we're speaking to some of the successes that Saskatchewan has had, the fact that we have now surpassed British Columbia in minerals is a very good sign and it speaks very much to the confidence that the mining sector has in our province. And we're looking forward to bigger and better things in the coming years.

Mr. Stewart: — Thank you, Mr. Minister, and Mr. Chair. Mr. Minister, approximately how many people are employed directly and indirectly in the mining industry in Saskatchewan?

Hon. Mr. Lautermilch: — In the mining sector there are 17,000 direct and indirect jobs.

Mr. Stewart: — Thank you, Mr. Minister. Mr. Minister, where

does Saskatchewan rank in the world in terms of potash and uranium production, and what percentage of world production are we in each of those minerals?

Hon. Mr. Lautermilch: — Mr. Chairman, and to the member opposite, we are the largest producer with respect of uranium; we are nip and tuck . . . we're just about on balance with Russia, who has increased their production as things have turned around in their country.

But we are still very strong in terms of the potash markets. I think the trust factor for Canadian product — not only the quality of product, but the availability of supply — is still very strong. And as you will know, China is a very large market for us in terms of potash. And the United States, of course, continues to be a big consumer of Saskatchewan potash.

Mr. Stewart: — Thank you, Mr. Minister. Mr. Minister, speaking of potash and China, have there been or are we expecting large sales of potash to China this year?

Hon. Mr. Lautermilch: — I think it's fair to say that until a year is completed, it's very difficult to know exactly what the Chinese market is going to be.

I would want to say that our industry works very closely with its marketing arm, Canpotex, who have a presence in China on an ongoing basis. They've worked for many years to develop a relationship with those are responsible for purchasing potash in China. And our markets continue to be strong because I think the trust factor is there.

We're having some competition certainly from the Russians, who've been flooding the markets over the past years in an attempt to gain market share. But in spite of that, our position remains strong.

It's been historical as I recall — having spent a few years in the Energy portfolio — that it's really difficult to tell until . . . right up until the end of the year, at which time they make, they make some pretty substantive purchases on occasion. But I think it's fair to say our industry feels confident that we will be maintaining our market share; that we will be maintaining China as a large offshore customer. And history has shown that in fact, the industry's analysis — and the department's analysis is it relates to quantity and the percentage market — has been fairly accurate over the years.

So I think we can expect a pretty good year this year as well.

Mr. Stewart: — Thank you, Mr. Minister. Mr. Minister, what percentage of the electrical power that's consumed in Saskatchewan is produced from coal mined in the province?

Hon. Mr. Lautermilch: — Mr. Chairman, I . . . the question is, as I understand it . . . and I was listening to a comment by my official but around 65 per cent is the amount of electricity that we produce from coal in a year. That varies very much, dependent upon how much hydro is available to us, both in the northern circumstances and as it relates to Lake Diefenbaker and the water level there.

As you will know, we use natural gas as . . . historically we've

used it as peaking power. It's now becoming part of our baseload as our economy grows and our economy expands, and we diversify our source of electrical energy.

But coal remains a very strong component of our production, and I would see that into the future.

Mr. Stewart: — Continuing on that theme, Mr. Minister, I understand that around the year 2008 that some of our coal-fired plants will be decommissioned. I'm wondering if they'll be replaced with more modern coal-fired plants or will we be using more natural gas. Are there any plans for that eventuality?

Hon. Mr. Lautermilch: — Yes. I think, you know, with limited knowledge that I do have about generation as it relates to coal — which would probably be a more appropriate question directed to SaskPower officials at Crown corporation estimates — but I think it's fair to say that the corporation has been maintaining on a very regular basis upgrades and the health of those fired plants are in pretty good shape.

As you will know, they've also made some headway in terms of reducing emissions, fly ash emissions from those plants. So I think it's fair to say that they're fairly healthy; they're upkept quite well.

In terms of decommissioning, I couldn't give you a date on that. I think that would be best addressed to the SaskPower Corporation itself.

(16:15)

Mr. Stewart: — Thank you, Mr. Minister. Mr. Minister, I'm interested in the Saskatchewan mining industry's environmental record, and how do we stack up among other provinces in Canada and other jurisdictions in North America environmentally?

Hon. Mr. Lautermilch: — Well, Mr. Chairman, I think I could make an argument on behalf of the mining industry that in two fronts they have been very much leaders; that's one, in terms of workers' safety and the health of our workers in their workplace environment. But secondly, with respect to a good environmental stewardship.

I think there's no doubt that the uranium industry has been under some very close scrutiny both by the federal government who's taking responsibility for uranium mining. We've made some success in terms of being able to consolidate the environmental assessment in those operations that hopefully favours the bottom line for the uranium industry.

But I think it's fair to say that our mining industry — whether it's potash or whether it's uranium or whether it's base metal mining — have been very proactive and they work very closely with the regulatory regimes that have been put in place in the province.

So I think they have a good track record, a good, solid track record that they are very proud of.

Mr. Stewart: — Thank you, Mr. Minister. Mr. Minister, what

is the mining industry's record on Aboriginal employment and what is their policy in that field? I know that most of the . . . or a good percentage of the mining industry is located in the northern part of the province, and we're certainly interested in that.

Hon. Mr. Lautermilch: — Mr. Chairman, I think one industry that I would probably point to as an example of what can be done working co-operatively with industry is the uranium industry. We have around 50 per cent of the people who work within uranium mining in Saskatchewan are northerners and northern Aboriginals.

And you know I found it interesting, as I would discuss the operations of the uranium industry and the impact, the cost of impact on Aboriginal people in Saskatchewan, other jurisdictions who have looked to Saskatchewan as a lead and as an example.

I recall an industry meeting at which the deputy minister responsible for mining from Quebec heard a presentation from one of our First Nations leaders as he spoke about the employment opportunities that had been created in uranium mining for his people.

The deputy made a comment to me that we could only wish that we had this kind of relationship with our First Nations and that we had taken the opportunities that you have taken here in Saskatchewan to ensure northern employment for people working in northern mines.

So the uranium industry has been very much on the lead on this file, working with the government, and should be commended for the very positive position that they have taken with respect to Aboriginal employment.

Mr. Stewart: — Thank you, Mr. Minister. Mr. Minister, as someone who has been involved in the mining industry, safety was always a concern and always is a concern in mining, particularly underground mining. I'm wondering how the industry in Saskatchewan stacks up nationally and internationally as far as our safety record goes?

Hon. Mr. Lautermilch: — Thank you, Mr. Chairman. I was just having my memory refreshed by the officials and you know I think you will recognize, sir, the progress and the successes that our industry has had. They stack up very well across our nation.

They've won national awards — The John T. Ryan Award on more than one occasion, in terms of safety and employment safety. I think that's as well reflected in the very competitive workers' compensation rates that we enjoy here in Saskatchewan, as it relates to the mining industry.

Which is I think one of the reasons that we are very optimistic and certainly very hopeful as it relates to the further development and expansion of our base metal mining operations here in the province. We've been promoting at PDAC (Prospectors and Developers Association of Canada) international mining conferences, Saskatchewan is a good place to do business along with Saskatoon REDA (Regional Economic Development Authority), the industry itself —

Saskatchewan Mining Association.

And I think that we're starting to gain a reputation as a jurisdiction where mining investment is welcome. And I think you will recognize as well the difficulty that the mining industry has had attracting private sector capital to develop opportunities and to develop mines. That partly as a result of some unfortunate circumstances that took place — none of our doing here in the province or none of industry from the province's doing — as it relates to Bre-X.

And I think there is some carry-on from that. But I think the fact that we've been looking very closely at what we've done, in terms of making sure our royalties, our taxation, are competitive, our workers' compensation rates are competitive across our nation.

The promotion that's taking place, both from the private sector, from local communities like Saskatoon, are very much a leader in mining across our nation and known as a mining city. Those are all very positive things that will help us to attract and grow and build on what I think are some great opportunities in the North.

If you look at our geology — and I'm no geologist — but what industry is telling me is that it must be host, and it should be host, to some good opportunities as it relates to base metals and other opportunities.

I think we have a good climate for investment. I think industry is starting to recognize it. And safety, competitiveness, these are all things that I think will help us to grow and build that industry.

Mr. Stewart: — Thank you, Mr. Minister. Mr. Chair, Mr. Minister, exploration and development are, in the mining industry, are by nature very time-consuming processes. And it takes from 10 to 20 years from the start of that process until you have a productive mine.

And one fairly substantial component of that time period is the time spent on permitting and so on, environmental studies which are, of course, necessary. But I'm wondering from the permitting and environmental side, what can be done to shorten the time period spent on those activities and make the process as efficient as possible and to get these mines into production, as long as they are environmentally sound ventures, as soon as possible? And has anything been done in that regard?

Hon. Mr. Lautermilch: — I think there are a number of things that need to be done and should be done.

Firstly if I would echo some of the comments that industry shares with me, is that good environmental stewardship is a prerequisite, it's a component, it's a part of good business. And I think that industry wants to see environmental due diligence done that will satisfy environmental activists and people in the environmental community who are concerned with fresh, good water, watersheds, clean air. Those are all very important parts, I think, of doing business.

What we need to do as a government is to ensure that there is adequate due diligence done on behalf of all of us. Important to

do that as quickly and as expediently and without duplication inasmuch as we can. I think it's a prerequisite of a good investment climate to ensure that our regulatory environment is not over onerous but it is adequate in terms of ensuring that there is a reasoned and a fair and a well-thought-through process for decision making as it relates to the registration and the licensing of mining and mining activity. And I think industry agrees with that.

What I think industry also agrees with is that if we have an overly onerous regulatory environment, we stand the risk of having that investment capital look for another home in another place. And I think it's also fair to say, though, that we don't want to compete with the worst environmental records around the world. We know those. We understand those. And I think what we want to do is ensure that Saskatchewan remains a good place for not only mining, but for tourism and for ecotourism and outfitting, all of the things that happen in similar places where the mining activity takes place.

So it's a balance. We need to ensure that we're monitoring to ensure that we have a good system, and a fair system, and a reasoned process. And part of the way we learn that is the dialogue that we have with industry. This government has a close working relationship with uranium developers, uranium miners, with our small base-metal mines, gold mines in northern Saskatchewan.

And that's what we need to do because if we're not hearing their comments, we can't reflect the kinds of changes that may from time to time need to take place within government administration and government organization.

I can say that our Department of Environment in the province worked very hard over the last few years, as the former department of Energy and Mines worked with them, to impress upon our federal counterparts that the environmental processes that were taking place as it relates to uranium development were cumbersome, they were onerous, there was the duplication. And we had a responsibility both from a provincial government perspective but as well a federal government perspective because the image that was created by that duplication as it related to uranium mining was not a positive one.

So we were able to bring the two jurisdictions together. I think we've made some progress. I don't think we've gone as far as we need to be or as far as we can be, but all of that has taken place because we had a good and a positive working relationship with the industry from a provincial perspective. And it has allowed us to make some success.

There's always more we can do and I think, you know, it's always criticism of government that there's too much government, that there are too many bureaucrats out there doing too many things that impact negatively on too many businesses, and that government should get out of the way of business and let business do what business does.

Well I buy that theory to a degree, but I also respect industry when they say that good environmental stewardship is good business. So what we try and do is find that balance where we have a reasonable system to ensure that the mining operations are ensuring a good, long-term environment. And I think that's

what they want to leave. I don't think they want to leave a legacy of destruction.

We've seen that in the forestry industry and the forestry practices in the year 2002 are much different than they were perhaps in the 1960s. And if I look at the forestry development here in Saskatchewan and the opportunities that we have not to do the kinds of things that took place in British Columbia, where now everything that industry does has a very microscopic scrutiny. And in a lot of cases I think unfair scrutiny; but in a lot of cases it's fair.

But I think industry, the resource sector — both renewable and non-renewable — know that they need to leave a small imprint on our environment, as small as they can. And I have to say from my experience they've been very co-operative and I really do appreciate their support as we attempt to move projects forward in Saskatchewan.

Mr. Stewart: — Thank you, Mr. Minister. Mr. Minister, further on that same theme, is there any effort being made by Energy and Mines or other provincial departments to coordinate the activities of SERM (Saskatchewan Environment and Resource Management), the federal environment people, and now Fisheries and Oceans, along those lines, to facilitate environmental process and permitting?

Hon. Mr. Lautermilch: — Thank you very much. Mr. Chairman, I want to say that, and I should maybe at this time, say a few short words about restructuring of government as it relates to the Department of Industry and Resources — which now encompasses the former department of Energy and Mines, the department of Economic Development, some components of SERM, some components of Sask Agriculture. And from one perspective we were attempting and are attempting to create a single window entry point for industry to government.

And the comments I've had in the past little while in terms of the restructuring from industry have been very, very positive. The relationship between this department and SERM, as it's now structured, I think will be very positive. We've had some good, positive relationships with those who were responsible for monitoring environmental concerns from that department. I'm hopeful that this new structure will allow us to take the best of both departments — take the best corporate culture from Energy and Mines and Department of Economic Development, and the components that we took from SERM as it relates to forestry development, and tie those and meld those with those people who are working on the environmental side within SERM.

You mentioned the 30-some new people that are here from oceans and fisheries and I'd be remiss if I were to tell you that I'm wondering what they're going to do here in this province as it relates to our Saskatchewan circumstance. And I'm sure that the federal government will find a good, positive role for those new federal officials that say join our province and us here in the province.

I'm not understanding totally what that might be at this point. I can only say that our goal is to ensure that we have a reason process from the provincial perspective and that we have some understanding from the federal government that we, here in this

province, have a good relationship with industry and a good relationship with the environmental community and we can sort things out pretty well here in the province.

We've been at this for considerably . . . period of time. We'll be here for a lot longer doing the kinds of things we do in terms of growing this economy as it relates to the mining sector. And hopefully our federal counterparts can help to facilitate that as opposed to being an impediment to creating jobs and wealth here in this province because it is such a critical part of what we do with resource dollars that we generate as it relates to royalties and taxation. As you will know, it will go a long way to creating an infrastructure as it relates to roads and schools, hospitals. And I think it fair to say that we would be on common ground in the belief that we here in Saskatchewan can manage our resources just very well, thank you very much.

Mr. Stewart: — Thank you, Mr. Minister, and I certainly agree with that. I also commend the new department on your efforts to create a single window approach. It's certainly something that we've been advocating on this side of the floor and I do commend that.

Mr. Minister, I wonder if you could tell this Assembly how the corporate capital tax is calculated as it pertains to the mining industry?

Hon. Mr. Lautermilch: — None of us here are accountants and this is administered by the Department of Finance. But the mining industry would pay the normal corporate capital tax and there is a 3.6 per cent surcharge on sales of the resource.

Mr. Stewart: — Thank you, Mr. Minister. In 2002-2003 — and my budget documents are here someplace — but do we have the projected revenue from the corporate capital tax and resource surcharge at our fingertips, I wonder?

Hon. Mr. Lautermilch: — I can give you the total estimate. We don't have a breakdown of it. You would probably have to get that through Department of Finance estimates. But the total would be 340,200,000. And that's the total aggregate.

Mr. Stewart: — Thank you, Mr. Minister, Mr. Chair. Mr. Minister, last information I was able to obtain on the Fort a la Corne diamond venture is that it would be still some time before the final decision was made as to whether or not that will be a go.

I'm wondering, first of all, if the department has any up-to-date information. It's been something like a year since I was in touch with those people and any up-to-date intelligence that you can share with this Assembly on how that assay is turning out and what the prospects are for Fort a la Corne.

Hon. Mr. Lautermilch: — Thank you very much. And I guess I would want to say to the member opposite, I'm probably as interested in the future of that as anyone. You know, you indicated a little earlier that bringing a mine on stream takes a lot of investment and a lot of patience. And you're right.

And I think when . . . I'm told that they're going to be looking at another group of core samples, and there should be something reported the end of April. I wouldn't want to suggest

to you that there's a mine tomorrow or the day after. I just think every time they invest a few more millions of dollars in sampling those kimberlite bodies in that area, gives, and should give us all more encouragement that in fact they're moving perhaps another step closer to a producing mine.

You know, if I look at the diamond mines that have been brought on stream, and if in fact our kimberlite is host to a commercially viable sample of diamonds, which I hope it is, and I certainly want to encourage them to continue to explore, but if this would become a mine, it would be a very competitive mine in that there's water, transportation, a workforce, electricity, I think all of the things that would create the ability to attract people like De Beers and Kensington and those who may make this a working mine. I think we're very well positioned.

So as they keep drilling, taking more and more core samples — some of them becoming larger and larger — many, many tons they're analyzing now. And when they keep going back every season and spending more money, we can only continue to be more and more encouraged that in fact there is something there that's workable. And hopefully we'll end up producing jobs for hundreds and hundreds of Saskatchewan people.

Mr. Stewart: — Yes, thank you, Mr. Minister. Has it . . . I'm wondering, has the department been doing any work with the mining industry . . . or with the diamond industry on establishing a tax and royalty regime in case that that does become a producing mine?

Hon. Mr. Lautermilch: — Yes, I think, Mr. Chairman, the department has been doing its work. They've been working at royalty taxation regimes around the world — in places where they do mine diamonds. And we want to be prepared.

If, in fact, the decision to put a mine on stream is there, we want to understand what our competitors are doing and what will make us competitive, not only with respect to the infrastructure that I spoke of, but with respect to the royalties and the taxation system that we would put in place.

So we're putting all of that information together. I think it would be a little premature to be directly discussing royalty and taxation until we know that there is some rice in this pot that we're boiling here. If we're going to have dinner and if we're going to design a table, we'd probably all want to know that we really do have something there.

But I think it's encouraging. Our department is being proactive in putting together the kinds of information and the things that it would take to put a good royalty and taxation regime in place.

Mr. Stewart: — Thank you, Mr. Minister. That was really my question. I just . . . I wanted to be assured that the department is on top of that and I'm happy to hear that they are.

Mr. Minister, how much revenue is generated from the 15-cent-a-litre road tax charged on fuel, mostly diesel fuel used in the mining industry in off-road applications?

Hon. Mr. Lautermilch: — Yes, we wouldn't have a breakdown as it relates to industry, either renewable or

non-renewable. I think that detail, that level of detail would have to come from the Department of Finance who may have a breakdown. But certainly, our department doesn't keep a record of that on an ongoing basis.

So I think the Department of Finance would probably be better to answer that for you.

Mr. Stewart: — Thank you, Mr. Minister. With the corporate capital tax and resource surcharge and the road tax charged on fuel used off road, I know those are three things that, if I can use the expression, sort of bug the mining industry in this province. And I'm wondering if any work is underway to mitigate that somewhat or soften the blow of these three taxes on the mining industry?

Hon. Mr. Lautermilch: — Well, you know, the taxation system is something that we're looking at and we do look at on an ongoing basis. You know, I look at the history of Saskatchewan, just the recent history, and in 1991 when we formed government, I think one of the biggest concerns we had from industry was not taxation level. It was the future of this province as it relates to our ability to manage our debt.

And one of the things that the business community as a whole were saying to us, get your fiscal house in order and don't put us in a position where you're increasing the level of debt. You're spending more to service that debt every year, which means there is either going to be higher taxes or there is going to be less in terms of services that relates to employing people to work in our jurisdictions — in our mines, in our businesses.

And so they were asking us to put our fiscal house in order, which we did. Then it turned, and the focus sort of turned to, we've got a reasonable, or a high tax level, here in this province and we'd like you to work on reducing that. Which we have.

We have reduced the small business tax substantially. We reduced and eliminated the surcharges on income tax. Our personal income tax structure has been revamped and it'll be completed — the package that we put together — by 2003. And we think all of these things have helped to make us competitive.

Now as it relates to fuel tax and as it relates to corporate capital tax, resource tax, it's something that we would like to see eliminated as well. I would be, I think along with the rest of my colleagues, happier than all get-out if we could stand in this House and announce that we're going to eliminate the small business tax, that we're going to reduce corporate capital tax by 50 per cent in the next two years, as some have.

But I tell you, I don't believe that industry would ask us to remove those irritants until they know we can afford them. And if we were to move on say the corporate capital tax, and make a decision to reduce it by 50 per cent in the next two years, I think they'd be asking us, how are you going to do it, as they did with corporate . . . like with personal income tax and as they did with the small business tax.

So certainly the goal has to ensure that we're competitive, to remove the irritants. And from this side, we're going to continue to do that as the province can afford and as our revenue flows can take us there.

And I think we're getting there. If you look at the activity, you look at the GDP (gross domestic product) growth in our province in the last decade, we have been very much leaders in this country. If you look at the amount of tax reduction that we have put in place, I think the people of Saskatchewan and the business community should be very proud of what they've been able to achieve by building a stronger economy, by balancing our budget, so that we can put less towards interest and more towards tax reduction and more towards programs.

But I think that they wouldn't be asking us to do that without the ability to show them how we could do it in affordable and a sustainable way. But I do agree with you as it relates to these taxes, we would be far better off if they weren't around.

(16:45)

Mr. Stewart: — Yes, thank you, Mr. Minister. I understand from the potash mining industry that with higher potash prices that their marginal tax rate is . . . gets up as high as the neighbourhood of 71 per cent and the uranium industry is even worse. When uranium prices are high, that they can be in the neighbourhood of 85 per cent marginal tax rate.

Now, Mr. Minister, I understand the fiscal constraints that you and your department work under. But don't you, don't you believe that if we could create some incentive for the industry to invest more money in this province, that we might very well get that lost revenue back in actually increased revenue down the road? And I understand the immediate fiscal problem, but what's your view on that theory?

Hon. Mr. Lautermilch: — Thank you, Mr. Chairman. I had again my mind refreshed, and we had talked a little bit earlier about some of the tax changes that have taken place as it relates to the marginal tax regarding uranium. That was at somewhere around 80 per cent. We've brought that down to 50 per cent, which is a fairly substantive change. The potash marginal tax rate has been reduced by 10 per cent, which is a benefit to industry of — over a five-year period — about \$250 million.

Now, have we gone as far as we'd like to go? Well, we have a working committee with my department, with the Department of Finance, and with the Saskatchewan Mining Association looking at the competitiveness issues which include the corporate capital tax, corporate capital tax surcharge, and off-road fuel tax.

Now, you have identified quite clearly in your earlier remarks that these are some of the irritants. And I think your question to me was, simply put, do I believe in the philosophy of build it and they will come? Meaning, cut the taxes like crazy and the investment will follow and the activity will backfill what your reduction in your tax level is. And I think that's your question.

Now if you're asking me if I believe in that, and I'll say to the member from Swift Current, the answer is no. And I want to tell you why. Because your friends, your friends — he chirps from his seat — your friends in British Columbia where you wanted to model your economic development game plan did that and it resulted in a \$4.4 billion deficit this year. And so if you're asking me if we'll follow your recommendation as it relates to British Columbia the answer is no.

But if you're asking me if we will continue on a sustained tax-reduction package, as this province and as this economy can afford it to ensure that we are competitive, as we've done with the reduction in uranium taxes and as it relates to the reduction in potash taxes, the answer is yes we're going to continue to do that. But a leap of faith — the member from Swift Current, not on your life because it doesn't work in the jurisdictions that he uses as examples in which to put forward tax changes in this province — that is not.

Mr. Stewart: — Thank you, Mr. Minister. Cut taxes like crazy might not be the description I would use of our policy. But in terms of the budget and what is estimated for government take in . . . from the potash industry, last year the number was around 161 million, I believe, and this year you're projecting to take in around 202 million.

The question I have is, what is this number based on? And this is quite a lofty increase when you see other numbers decreasing.

Hon. Mr. Lautermilch: — Mr. Chairman, there are two components to this. And one was that last year they were forecasting \$160 million. That was based on the abnormally high cost of natural gas which very much reduced the profitability of the potash sector, the potash industry.

The other component of this is changes as it relates to capital tax credits that were in place over a 20-year period which are now disappearing, which will allow then the estimate of \$202 million this year as opposed to the 160 from last year. So those are the two components. That's why the difference.

And I know there are those who would try and make you an argument that we're overforecasting revenue to put a balanced-book package together. That's not the case. We rely on the information that comes from our officials based on their knowledge of the industry.

We've had this discussion with the media and here in the legislature. And my guess would be that at the end of the year, when you look at the final revenue that came in as a result of potash revenues, the \$202 million figure will be pretty close to bang on, unless abnormal circumstances that can't be forecasted now would take place.

Mr. Stewart: — Thank you, Mr. Minister. So your government is truly counting on an increase in over \$40 million in potash revenue to help pull you through this deficit budget that you're now involved with.

What happens next budget if potash revenues don't come anywhere near that 202 million?

Hon. Mr. Lautermilch: — Well, Mr. Chairman, let me say to the member opposite, I sort of want to correct his terminology and I want to say to him that yes, on a cash flow basis, we are in a deficit position this year. The Minister of Finance articulated that I think in some detail. But as it relates to this year's budget, we've been able to draw on our reserves that we put aside when we did have extraordinarily high oil and gas revenues, which allowed us to bridge what's been a pretty difficult year.

But I want to say, Mr. Chairman, this budget is comprised of

more than natural gas revenues. It's comprised of more than oil and gas revenues or potash revenues. There are a whole host of revenue initiatives that were put before this legislature in the budget.

And I want to say that the track record of this Minister of Finance and this administration has been one that we are very proud of. And I think there's a reason for that. Even though we have been delivering razor-thin budget surpluses, we've been able to, in the good times, put a little money aside for years that we've had . . . such as this year where we had a drought. And I know members don't want to hear about that, but I mean they live it as we do.

The events of September 11 have had some impact on our economy; there's been a downturn in the global economy which hasn't . . . we're not immune from that, which meant we had a downturn in some revenues.

But in spite of that, this year using our Fiscal Stabilization Fund we've been able to balance our budgets.

And I want to say to the member opposite that this Finance minister and this Premier, unlike the Leader of the Opposition, understands the fragile nature of Saskatchewan's economy as it relates to our revenues and our expenditures which is why we've taken very much a small "c", fiscal, conservative approach to putting our budgets together. And I want to say as it relates to putting budgets, economic development plans together, we have been very fiscally responsible.

I heard with some interest last fall as your leader, the Leader of the Opposition, indicated to the business community in Saskatoon that he was going to cut the corporate capital tax by 50 per cent in two years. And that's laudable. I think, I think that's an honourable thing for him to attempt to want to achieve. And he said he's going to remove the small-business tax completely.

So I sit back and I say to my Finance minister, Mr. Finance Minister, what does that mean to the province of Saskatchewan? And he says to me, well, he says, corporate capital tax, that would mean that we'd have to find \$180 million. And I said, oh. And then he says to me . . . Well, I said, what about the small-business tax? And he says, oh we'd have to find another 60 million for that. And I said, oh! So it's 240 million we're going to find. And I say to him, well how would we go about doing that?

And I read the document that came from the speech of the member, the Leader of the Opposition, and you know how he's going to do it? He's going to go to British Columbia and he's going to learn how they cut the cost of operating government.

So I then say to my friend, the Finance minister, well what did the people in British Columbia do? What did they do? How did they cut their costs of government? And they took a third of their civil service and they fired them out the door. And they've now got a provincial auditor who's worried about the morale and the health of their government because of the impact on the civil service who no longer feel confident in the leadership in that province or in the management of that province.

And so I say, well how . . . okay, so you're going to fire a third of your civil service, Mr. Leader of the Opposition, to finance his \$240 million tax reduction. Oh, but there's more. He's going to cut the Crowns to the core. Well that says to me, liquidate assets to pay for non-sustainable taxes and tax cuts.

And I think, Mr. Member, that's what I heard from you today. In a very soft-spoken and quiet and elegant way, you described what you'd like to do. But I tell you it's not affordable, it's not sustainable, and we have no intentions of moving on tax reductions, promises for political purposes, when we know the province can't afford them and it either means selling assets to afford them or firing people who provide good public services to the people of this province, or a combination of both, or big-time deficit budgeting which many of your folks supported in the 1980s as you supported the Grant Devine government in 1982 and in 1986 and in 1991 . . . (inaudible interjection) . . . Well you may not have been born there, Madam, but I tell you, the member from Swift Current was born then. He was working in the associate minister of Economic Development's office at the time — that's where he was.

And he got some bad habits, I say to the member opposite, when he was there in the 1980s, and he's brought them forward and they've been expounded upon by the Leader of the Opposition. And that's why he's out promising slashing of government, liquidation of assets, firing people, or deficit budgets.

So I say to the member opposite, read the history books. They're not that long ago when we had that kind of an administration.

You ask if we're going there? The answer is never. You're going to see small "c", fiscal conservative management from this administration and a management that cares about people and we're going to ensure, Mr. Speaker, that the people of Saskatchewan still have faith in their government.

And I want to say, Mr. Chairman, the hour being close to 5 o'clock, I move the committee recess until 7 o'clock tonight.

The Assembly recessed until 19:00.

CORRIGENDUM

On page 316 of *Hansard* No. 10A Wednesday, March 27, 2002, references to "Lawrence" Osachoff in the second paragraph of the Hon. Mr. Cline's speech should read "Laurence" Osachoff.

We apologize for this error.