

The Assembly met at 13:30.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Kwiatkowski: — Thank you, Mr. Speaker. I rise on behalf of citizens of Saskatchewan concerned about changes to the deductible for the prescription drug plan in Saskatchewan. The prayer reads as follows:

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.

As is duty bound, your petitioners will ever pray.

This petition is signed by the residents of Porcupine Plain and Bjorkdale.

I so present, Mr. Speaker.

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to present a petition on behalf of citizens of Saskatchewan who would like to see the SGI (Saskatchewan Government Insurance) deductible policy changed. And the petition reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to work with SGI to develop more fair guidelines for deductibles on vehicles that are damaged as a result of an attempted car theft.

And the signatures on this petition, Mr. Speaker, are from Bradwell and Allan, Saskatchewan.

I so present.

Ms. Draude: — Thank you, Mr. Speaker. I have a petition to present today from people who are concerned about long-term care home rates:

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.

The people who have signed this petition are from Melfort, Saint-Front, and Wynyard.

Mr. Gantefoer: — Thank you, Mr. Speaker. I too rise on behalf of citizens who are most concerned about the exorbitant fee increases for long-term care services. 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 increases for long-term care services in Saskatchewan.

Signatures on this petition today, Mr. Speaker, are from my home community of Melfort, and also from Gronlid and Tisdale.

I so present.

Mr. Bjornerud: — Thank you, Mr. Speaker. I have a petition to present today, Mr. Speaker. And 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 in the future.

The signators, Mr. Speaker, are from the communities of Gerald, Esterhazy, Stockholm, and Churchbridge.

Mr. Stewart: — Thank you, Mr. Speaker. I rise on behalf of citizens concerned with the deplorable condition of Highway 339. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to repair Highway 339 in order to facilitate economic development initiatives.

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

This petition is signed, Mr. Speaker, by individuals from the community of Avonlea.

I so present.

Mr. Elhard: — Thank you, Mr. Speaker. I'm gratified to stand this afternoon to present a petition to halt crop insurance premium hikes and coverage reductions. And 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 signatures on this petition come from producers and other interested individuals in the community of Eastend.

I so present.

Ms. Bakken: — Thank you, Mr. Speaker. I rise today to present a petition on behalf of citizens of the province that are concerned about the increase in long-term care fees. And 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, Radville, and Fillmore.

I so present.

Mr. Wall: — Thank you, Mr. Speaker. I rise to present a petition today as well. It's on the subject of tobacco control legislation. And the prayer of the petition 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.

Mr. Speaker, several petitioners from the city of Swift Current and as well as one from Stewart Valley, north of the city of Swift Current.

I so present.

Mr. Brkich: — Mr. Speaker, I have a petition here to halt crop insurance premium hikes and coverage reductions. The prayer reads as follows:

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.

Signed by the good citizens from Kenaston, Saskatoon, and Macrorie.

I so present.

Mr. Wiberg: — Mr. Speaker, I have a petition this afternoon in regard to the harmful effects that tobacco smoking has on public health. And 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.

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

Mr. Speaker, this petition is signed by the good folks of Duck Lake.

Mr. Weekes: — Thank you, Mr. Speaker. I also rise to present a petition to halt crop insurance premium hikes and coverage reductions. 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 premium rates 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.

Signed by the good citizens of Biggar and Saskatoon.

Ms. Harpauer: — Thank you, Mr. Speaker. I have yet another petition 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 again, the signatures demonstrate how well-travelled this highway is. The signatures are from Saskatoon, Caronport, Nokomis, Moose Jaw, Outlook, Watrous; East Selkirk, Manitoba; Edmonton and Sundrie, Alberta; and Cranbrook, British Columbia.

READING AND RECEIVING PETITIONS

Deputy Clerk: — According to order the following petitions have been received as addendums to previously tabled petitions being sessional papers no. 7, 8, 11, 18, 23, 24, and 31.

NOTICES OF MOTIONS AND QUESTIONS

Mr. Brkich: — Thank you, Mr. Speaker. I give notice I shall on day no. 27 ask the government the following question:

To the Minister of Government Relations. Can the minister please provide this Assembly with which communities were turned down under the Canada-Saskatchewan Infrastructure Program that applied for funding for water and sewer upgrades in the calendar year 2001.

Further to that: why were these communities turned down?

INTRODUCTION OF GUESTS

Mr. Hermanson: — Thank you, Mr. Speaker. Mr. Speaker, it's my privilege to introduce 41 of some of the best-looking young men and women in west central Saskatchewan to the Assembly. From the North West Central School in Plenty, there are 41 students from grades 10 to 12 sitting in the east gallery. They are accompanied by their teachers, Cindy Thomson, Melissa Trann, Erin Jones, and Cheryl Dipple.

Now I believe that I share some of these students with the constituency of Kindersley. So on behalf of both the ridings of Rosetown-Biggan and Kindersley, and to all members, would you welcome these students from the Plenty high school. Welcome.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

University of Regina Receives Research Funds

Mr. McCall: — Thank you, Mr. Speaker. I'm happy to report on some good news in new and exciting research taking place at my alma mater, the University of Regina. Two significant projects will be receiving \$130,000 from the province through the innovation and science new opportunities fund — money which will match a federal contribution through the Canadian Foundation for Innovation.

First project, a state-of-the-arts biophysics lab is being funded for Professor Tanya Dahms, who is doing research on how drugs work at the molecular level. Her research will lead to the development of better strategies for pain management, the treatment of drug addiction, and other uses, Mr. Speaker.

As well, the university is purchasing a mass spectrometer to aid in the research of Professor Michael Chen, whose studies of carbon dioxide will aid in a more economically feasible reduction of greenhouse gas emissions.

Mr. Speaker, I may have been an arts major but I do understand the significance of these projects. I also understand the government's support of research and development as represented by these two examples and how it will make our research institutions more attractive to other researchers.

Mr. Speaker, this is an investment in innovation and it will ensure that my university as well as that other one too, will continue to be able to make — pardon me, Mr. Speaker — will continue to be able to attract and retain the best and brightest researchers, faculty, and students. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Shellbrook Elks Win Senior A Crown

Mr. Allchurch: — Thank you, Mr. Speaker. The hockey season has nearly come to an end and in rural Saskatchewan, places like the town of Shellbrook, it ended on a very, very positive note. The town of Shellbrook is a very sports minded town, and it's no exception when it comes to the game of hockey.

The Shellbrook Elks hockey team won the Saskatchewan Hockey Association's Senior A Crown. You might want to ask who they beat in the finals.

Well my seatmate, the member from Last Mountain-Touchwood, represents the team from Southey which was defeated by Shellbrook in two straight games.

Under the leadership of coach Denis Cromartie the team played

with a winning attitude and winning they did.

Manager Bruce Clements quoted, "the team had a lot of character." The Southey coach, or pardon me, the Southey playing coach, Warren Fry, said: "with good goaltending and great defence, what could they do, they played great."

Shellbrook got to the finals by defeating Melfort, Conquest, Cudworth, and Meadow Lake. Southey had to eliminate Bethune, Esterhazy, Avonlea, and Semans to get to the final, and Shellbrook was the victorious winner.

The Shellbrook team was crowned in front of the largest crowd in history at the Shellbrook Recreational Centre that night.

I just want to say to the coach, Denis Cromartie, manager, Bruce Clements, assistant manager, Warren Hintz, and of course the players of the Shellbrook Elks hockey team, congratulations on a great, great season and thank you from all the fans.

Some Hon. Members: Hear, hear!

Ernest Lindner Painting Returned Home to Saskatchewan

Ms. Atkinson: — Thank you. For about two years in my first term as MLA (Member of the Legislative Assembly) for Saskatoon Nutana, I was honoured to have as a constituent, Ernest Lindner, one of Saskatchewan's — in fact one of Canada's — best known and most original artists. He was a remarkable man in many ways: artist, teacher, innovator, soldier, father, grandfather, and a friend to many.

His paintings are in museums and private collections across the country, including the MacKenzie and Mendel galleries, and the Saskatchewan Arts Board collection.

I mention Mr. Lindner because like his many admirers, I was happy to hear that one of his most significant paintings is coming home to Saskatchewan. Mr. Speaker, the painting is coming home from Alberta where it was found rolled up around a piece of metal downspout. It was auctioned to raise money for health care in Alberta.

Our Western Development Museum bought this very large Saskatchewan landscape painting and will eventually circulate it amongst its branches in Saskatoon, Moose Jaw, North Battleford, and Yorkton. First it will be displayed in Saskatoon and the public will be able to watch the restoration as it progresses.

Mr. Speaker, Mr. Lindner came to Saskatoon from Austria in 1926. He died in 1988. He was a member of the Order of Canada, a founding member of the Saskatchewan Arts Board, an original member of the Emma Lake Artists' Workshop, and an invaluable citizen of our province.

He would, I am sure, be pleased that this piece of work will now belong where it belongs here in our province. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

(13:45)

Carrot River Implements

Mr. Kwiatkowski: — Thank you, Mr. Speaker. Mr. Speaker, Carrot River Implements recently marked 35 years of service. It was on April 15, 1967, that Jim and Caroline Doherty began operating Versatile implements in Carrot River. When they began operating, they were the fifth implement dealer in the community, and 35 years later, they now are the only one.

The reason Jim gives for the survival of his business is dedicated staff and a philosophy of service. One employee has been with the company for 22 years and three other employees served over 20 years before retiring. At present there are seven employees. Regular customers include members of at least one four-generation farm family.

Jim has seen many changes over the years. There have not only been the obvious changes in price of equipment, but also the many changes in the entire agriculture industry. Jim is also the mayor of Carrot River and has served on town council for over 18 years. Jim was very involved in the fight to keep the Carrot River hospital open, and though unsuccessful, he is proud of the community's ability to maintain two doctors. Caroline has also been very active in the community and has served for many years as a leader with the 4-H club.

I would ask all members to join me in congratulating Jim and Caroline Doherty on the 35th anniversary of Carrot River Implements.

Some Hon. Members: Hear, hear!

16th Annual Rotary Golden Wheel Awards

Hon. Mr. Cline: — Thank you, Mr. Speaker. Mr. Speaker, yesterday five Saskatoon residents were honoured at the 16th annual Rotary Golden Wheel awards ceremony for their contributions to our community: in education, Dr. Gwenna Moss for her contribution to the fields of adult education and extension learning; in arts, Gerry Gullickson, who has been extensively involved in Saskatoon's music community for over 40 years; for commerce and industry, Doug Tastad, who for 22 years has guided the development of Innovation Place, with growth in agriculture, telecommunications, resources and environment, computing technologies, health, and engineering; charitable volunteer, Don Ravis, a board member and past Chair of the Saskatoon Foundation, fundraiser for several worthy causes, and former Member of Parliament; outstanding Rotarian, Elmer Lundback, a retired schoolteacher and administrator who served as the administrator for Manitou Lodge in Watrous.

Mr. Speaker, these people are examples of the rich and proud history that this province has in volunteer activity and we salute them.

Some Hon. Members: Hear, hear!

Joints in Motion Marathon

Mr. Brkich: — Thank you, Mr. Speaker. We'd like to talk

today about a remarkable resident of Davidson. In January 6 of this year, Shelley Cross travelled to Orlando, Florida to attend the Joints in Motion marathon for the benefit of the Arthritis Society. Mrs. Cross completed the 42k (kilometre) marathon to fulfill the pledge of \$4,500 she raised on behalf of the Arthritis Society.

To take part in this marathon, Joints in Motion team members must raise money on behalf of someone who has arthritis. Mrs. Cross ran on behalf of her mother-in-law, Joan Cross, who has had rheumatoid arthritis for many years. Unfortunately, in January of 2001, Shelly herself was diagnosed as having rheumatoid arthritis, giving her added incentive to tackle the challenge of completing the charity marathon in Florida.

She was one of the 56 runners on Saskatchewan's Joints in Motion team who were among 290 Canadians who participated in the marathon. In Saskatchewan, runners raised \$219,000 which was added to the 1.1 million raised in Canada.

Twenty-one thousand people took part in the marathon, which followed a 42k route through Disney World's Orlando theme parks. Only 8,000 of these participants finished a full marathon of which Shelley Cross is one of the finishers. She said it was difficult running as the day started out sunny but quickly turned into a rainstorm. Rain-soaked running shoes quickly created painful blisters, but Mrs. Cross was able to finish. The entire Canadian Joints in Motion team finished the marathon.

Mrs. Cross said the support from the town of Davidson was tremendous. People can really put a face to arthritis in a town like this. You can see what arthritis does to people.

I would ask all the members to join me in congratulating Shelley Cross.

Some Hon. Members: Hear, hear!

Lumsden One of Canada's Prettiest Towns

Hon. Mr. Wartman: — Thank you, Mr. Speaker. I rise today to speak about the cover story from the Weekender in the Regina *Leader-Post* Saturday, April 13 edition. Mr. Speaker, the title of this article reads, and I quote:

LUMSDEN: One of Canada's prettiest towns.

Cradled in the Qu'Appelle Valley, Lumsden was named the "the prettiest town on the prairies" when the village was born in 1889.

Now it has been renamed that back in the '60s, I'm told, and then again recently. That description holds true today.

Mr. Speaker, it is one of the prettiest towns in the country. Editors of *Harrowsmith Country Life* magazine researched towns and villages across Canada and came up with the 10 prettiest towns in the country. Lumsden, Mr. Speaker, joined the ranks with towns such as Stratford, Ontario, Greenwood, BC (British Columbia), and New Glasgow, PEI (Prince Edward Island), just to name a few.

Surrounded by undulating hills, Lumsden is between the

confluence of Wascana Creek with the Qu'Appelle River on the west and Boggy Creek on the east.

Mr. Speaker, not only the absolute beauty that Lumsden possesses ranked it amongst the prettiest towns in Canada, but also its sense of community. It is a home to and inspiration for a thriving community of a wide variety of artists, a tremendous community that works together on a number of projects, and all of that goes together to make it one of the prettiest and one of the best communities in this country.

Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Implications of Increases in Long-Term Care Fees

Mr. Hermanson: — Well thank you, Mr. Speaker. My question today is for the Premier.

Yesterday the Saskatchewan Party moved a motion calling on the NDP (New Democratic Party) to reverse its massive rate hike on Saskatchewan seniors. The NDP defended its attack on seniors. And the member for Saskatoon Eastview went one step further. She suggested that in order to lessen the impact of the rate hike, elderly couples should apply for involuntary separation.

Mr. Speaker, we're talking about couples who have been married for 50 or even 60 years. And now in the last few years of their lives, the NDP is telling them to get separated.

My question to the Premier is: does he support this suggestion?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, the issue that the leader opposite has raised relates to some of the things that happen as people grow older. There are times when people have to live apart for no reason of their own.

The term that's used right across Canada is involuntary separation. We have a process within our system in long-term care, and it's been there for years, which allows for this application to be made, which says I can't live in the same place as my spouse, therefore we have to make some adjustments on the financial arrangements.

We have worked out over the years a very good way of dealing with this particular problem, and it recognizes the changes in life as people grow older. We will continue to meet the needs of people in their health care. We ask the members opposite to be working together with us.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Thank you, Mr. Speaker. The NDP is trying to minimize this idea of involuntary separation. But I can tell you, Mr. Speaker, that we have heard from many, many, many seniors, many elderly couples, and they are appalled at the idea of calling themselves separated.

Mr. Speaker, I'd have a hard time looking at my wife in the eyes after 25 years of marriage and saying we have to become involuntary separated. It's just not the right thing to do.

Telling a couple who have been married for 50 years . . .

The Speaker: — Order, please. Order, please, members. Order, please. The Leader of the Opposition will continue.

Mr. Hermanson: — Thank you, Mr. Speaker. Telling a couple that have been married for 50 years is simply unacceptable. It's psychologically damaging to seniors. It should be above the dignity of this government to do that.

Mr. Speaker, in many cases it's against their personal beliefs or their religious beliefs to do so. They feel that they are betraying their spouse and that they are betraying their marriage vows.

Mr. Speaker, if this is a simple way to allow a couple to reduce their long-term care fees, why make themselves declare themselves to be separated? Why can't the government simply allow them to calculate their long-term fees based on individual income?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, my colleagues last night, when this issue was being debated, presented a very good explanation of how this works. Unfortunately the member opposite I don't think was here, so he could not respond . . .

The Speaker: — Order. Order. Order. Order. Members are reminded they are not to comment about the presence or absence of any other member in the legislature. That goes for debates; that goes for question period.

Hon. Mr. Nilson: — Thank you, Mr. Speaker. I would like to read for the member the exact wording of the application form around the particular issue that he says it's . . . is a problem. It says . . . it's called "Long Term Care Optional Designation For Determining Resident Charge", and it sets out information at the top that says:

Please check the designation applicable to your situation . . . With the designation only the resident's income is considered in determining the resident charge.

First box:

My spouse and I live in separate dwellings for reasons beyond our control. However, our marital status has not changed.

Okay? Then, then you can . . . there's a second box where you can say:

I am separated from my spouse pursuant to a separation agreement or a judicial separation (put the) Effective Date.

This form and this particular process has been created to deal with exactly the problem that the member opposite has raised because we are very concerned about this.

One of the things that comes up again and again in this legislature, across the way, is that the people do not get very good advice from their advisers. They lack some of the people they need, to give them good advice.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Thank you, Mr. Speaker. Mr. Speaker, I want to quote from yesterday's *Hansard*, and it's the member from Eastview speaking and she says . . .

The Speaker: — Order, please. Order, please. Order, please. The Leader of the Opposition may start over.

Mr. Hermanson: — Thank you, Mr. Speaker. The former associate minister of Health said last night:

To address this concern, involuntary separation is now offered as an option. Involuntary separation is a term used to recognize those situations where married couples live in separate dwellings for reasons beyond their control . . .

Mr. Speaker, we are hearing from married couples that find this offensive. They find this impossible to cope with after 50 or 60 years of marriage.

Mr. Speaker, I'm appealing to the Premier, I am appealing to the Premier. Will he please drop this bureaucratic requirement of forcing couples to declare themselves separated in order to reduce their long-term care fees?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Thank you, Mr. Speaker. What we do on this side of the House is that we work with people to address particular problems. That particular concern was raised years ago and we've worked out, together with the people involved, a very clear method that allows for individuals to say, it's not my fault, it's not my husband's fault, but we're living in separate places; we need to adjust the income that we're sharing between us in a way that allows us to continue on in the situation that we're in. That is a responsive way of dealing with these things.

And I'm very surprised that the member opposite would come on these kind of questions. It shows that they do not have people who are working with them that can give them proper advice on what the issues are.

Look around for some more people to help them out. Do you need some lawyers? Do you need some accountants? What do you need? I don't know. But get somebody who can help you ask some decent questions in this House.

Some Hon. Members: Hear, hear!

(14:00)

Mr. Hermanson: — Mr. Speaker, I am, I am profoundly disturbed by the insensitivity of the Minister of Health and I am extremely disappointed that the Premier did not have the courage to address the issues that are being, that are being raised by seniors right across Saskatchewan.

Mr. Speaker, yesterday the member from Eastview said, and I quote:

(She said) that involuntary separation was necessary, because prior to October of 2000, people were finding that in some cases the spouse that continued to live in the community did not have enough money left to pay for essentials.

Mr. Speaker, the NDP member was admitting that even prior to the massive rate hike in this year's budget, elderly couples were having trouble making ends meet. So what was the NDP's solution? What do they offer? Jack the rates up another 40 per cent, Mr. Speaker. How insensitive can you get?

My question to the Premier, and I appeal to the Premier to answer. Will he admit that the NDP's attack on seniors was a mistake and will he cancel his huge hike on long-term care fees?

Some Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Mr. Speaker, when we took a good hard look at this particular area and we needed to figure out how to provide some more funds in our health system, we looked very carefully to make sure that those people with the lowest income would not be affected.

And I would like to quote Mr. Wally Coates from Senior Power because he said that: "most people will not notice a big impact from the change in (this long-term) fee formula." And he says, quote:

If they were going to cut services to people who couldn't afford them, or if they only had a basic income, then I think that would be hurting.

The point is that we went to the people that had more income, we protected those people on the bottom end of the scale. That's what we will continue to do.

I ask the members opposite, get some better advice, get some better questions.

Some Hon. Members: Hear, hear!

Municipal Revenue-Sharing Grants

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the minister of Municipal Government. It begins all over again, Mr. Speaker. The city of Regina announcing that residents are facing a 14.3 per cent tax hike over the next five years. And the school boards haven't even had a chance to set their mill rates yet.

Ten years of NDP government downloading onto the municipalities across the province is finally catching up with municipalities and property owners. People from all over the city this morning were calling saying they'd had enough and were thinking of leaving Saskatchewan.

They know that this city has tried to hold the line, even last year when the NDP froze funding . . .

The Speaker: — Order, please. Order, please. Order, please. The member will continue for about 15 seconds.

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, they know the city last year tried to hold the line even when the NDP froze revenue-sharing grants. But this year they can't hold the line.

Mr. Speaker, will the minister stand in the House and explain to residents of Regina why the NDP has reduced revenue-sharing grants to municipalities for the last 10 years?

Some Hon. Members: Hear, hear!

Hon. Mr. Osika: — Thank you, Mr. Speaker. The one thing that this coalition government has not done is increase taxes, as the members opposite would do if they were on this side of the House, Mr. Speaker.

Let me just . . . I'm not sure where the opposition has been, Mr. Speaker — and I'm not referring to their presence or absence from this House — but they've missed the fact that this year revenue sharing was increased for municipalities by \$10 million.

I'm not sure whether they were here for the budget or not, Mr. Speaker, but on this side we are concerned about municipalities, we are working with them, their revenue sharing has increased. And, Mr. Speaker, we plan on working with those municipalities to meet their needs the best we can under these circumstances.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, if revenue sharing has been raised adequately why is the city of Regina having to raise taxes to every resident of Regina?

Mr. Speaker, municipalities have endured 10 years of neglect by this government. Ten years of less money for infrastructure like roads, water, and sewer; 10 years of reduction to revenue-sharing grants; 10 years of downloading responsibilities. Thousands of people and jobs leaving Saskatchewan that have left municipalities with a reduced tax base all thanks to that government.

Imagine how municipalities across the province feel when they hear their request for \$20 million in revenue sharing denied. Yet the NDP have that exact amount to spend in Georgia, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Imagine what municipalities in this province could have done with that money.

Mr. Speaker, why did the NDP choose to spend \$20 million in Georgia instead of municipality revenue sharing in Saskatchewan?

Some Hon. Members: Hear, hear!

Hon. Mr. Osika: — Well, Mr. Speaker, thank you. Some of the

questions that the member is asking would best be asked of the mayor of this great city of Regina because he has those answers, Mr. Speaker.

But I just want to once again . . . I just want to refer to some newspaper articles, Mr. Speaker. "No tax hikes for two cities thanks to revenue sharing . . ."

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

Hon. Mr. Osika: — Thank you once again, Mr. Speaker. Those questions need to be asked of the city of Regina, and if they have reserves perhaps they might consider, as the coalition government did, go to reserves to help finance programs that this province desperately needed.

The Speaker: — Order, please. Order. I am unable to hear the minister's response. Twenty seconds for the minister.

Hon. Mr. Osika: — Thank you again, Mr. Speaker. I guess good news is pretty tough for the members opposite to take. They try and drum up the most negative — most negative questions, most negative attitudes towards this great province of ours.

Mr. Speaker, "Losing streak ends for municipalities". "Province's \$10 million increase in municipal revenue-sharing reverses 20-year trend".

We are working with the municipalities, Mr. Speaker, we do support them. I don't think they do.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Well, Mr. Speaker, I'm sure Pat Fiacco and the Regina council are going to be happy to hear that they've resorted to blaming municipalities for higher taxes in the province of Saskatchewan.

Mr. Speaker, this tax increase is only for the city of Regina. Other cities, towns and villages will be announcing their tax changes in the coming days. Rural municipalities will also be announcing their mill rates, and they've even been hit harder than urban Saskatchewan, Mr. Speaker.

And then we go to school boards who have to set their mill rates, and will probably have to raise them.

Mr. Speaker, across this province property taxpayers will be facing another round of tax increases, all because of this NDP government and downloading for the last 10 years.

Mr. Speaker, will the minister explain how forcing municipalities to raise property taxes helps attract people to Saskatchewan; how it encourages people to stay in Saskatchewan; how does it plan to grow Saskatchewan . . . (inaudible) . . . downloading on these municipalities?

Hon. Mr. Osika: — Well once again, Mr. Speaker, I must remind the members opposite that there has been an increase in revenue sharing for municipalities. In 2002-2003, the municipal sector will be provided over a \$104 million through a number of programs, including revenue sharing, Mr. Speaker.

Municipal portion of grants in-lieu-of, Canada-Saskatchewan Infrastructure, the Centenary Fund, the urban parks, municipal libraries, and it goes on, Mr. Speaker.

One thing that this coalition government did not do, they did not do what the envy of the members opposite to the west have done, is reduce grants to municipalities in the amounts of \$45 million for property taxes. Is that what they envy, Mr. Speaker? Small businesses will see their exemption rate rise by 50,000 to 35,000, originally planned to \$100,000.

We did not do what their friends in Alberta have done to their people. We are concerned about the people in this province.

Some Hon. Members: Hear, hear!

Information Services Corporation

Mr. Wall: — Thank you, Mr. Speaker. Mr. Speaker, one of the costs that municipalities must cover, generally through the local tax base, is the cost they incur for land transaction fees.

So, Mr. Speaker, my question is for the minister responsible for the Information Services Corporation. Mr. Speaker, can the minister assure this House that the NDP's \$80 million land titles automation project will not drive up land transaction costs for Saskatchewan municipalities and their local property taxpayers?

Hon. Mr. Axworthy: — Yes, Mr. Speaker, I can.

Some Hon. Members: Hear, hear!

Mr. Wall: — Thank you, thank you, Mr. Speaker. That's a very interesting answer.

The Saskatchewan Assessment Management Agency, which is contracted by many Saskatchewan municipalities to assess their property . . . properties for tax purposes, outlined their 2002 budget at their annual general meeting last week in Saskatoon.

According to the SAMA's (Saskatchewan Assessment Management Agency) 2002 budget, their administrative costs will be going up this year by over 36 per cent or \$300,000, and here's why. And here's why, Mr. Speaker. It's note 4 on SAMA's 2002 budget document and it says as follows, I quote:

The primary reason for the increase in SAMA's Administration costs can be attributed to changes to the land titles system which are projected to increase (by) \$300,000 over 2001. Cost estimates are based on acquiring electronic land titles from Information Services Corporation.

Mr. Speaker, I'll ask the minister again if he will guarantee this Assembly that the \$80 million land titles automation will not result in any downloading to municipalities in terms of their land transaction fees?

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — Mr. Speaker, what I can guarantee, Mr. Speaker, is that we have the best land titles transfer system

in the world, Mr. Speaker. We have people coming from all over the world to utilize it, Mr. Speaker. We have a system which has cut transfer costs for residents in the municipalities the member is talking about by half.

And, Mr. Speaker, let me just read a little bit about the Alberta land registry system, Mr. Speaker. Because, Mr. Speaker, that system, which I presume they like, said . . . the newspaper article just a little while ago:

The land registry system in Alberta runs slowly and already cannot handle many critical transactions. And this government is liable for the losses caused by errors (Mr. Speaker).

The system, the old system doesn't work. Our system does work, Mr. Speaker. And it's time that the member began to support the work, the efforts, the business initiative of IT (information technology) companies in this province, and the people who are working for ISC (Information Services Corporation of Saskatchewan), Mr. Speaker.

This is good for the province. He knows it, and he knows it's good for the voters too.

Some Hon. Members: Hear, hear!

Mr. Wall: — You know, Mr. Speaker, the opposition, the opposition finally gets a direct answer to a question, with my first question this afternoon, and it's wrong, Mr. Speaker. The answer was wrong. Because the answer is no. The answer is that this government is downloading on municipalities through the Information Services Corporation.

And I would like the minister, Mr. Speaker, if he would stand on his feet today and give some assurances to the municipalities of the province and to SAMA that he will do whatever it takes to avoid downloading onto municipalities in terms of transaction fees and, more importantly, onto the property taxpayers of the province of Saskatchewan.

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — Mr. Speaker, no doubt the member's researchers forgot to remind him that in fact 1.7 million more dollars into SAMA this year, Mr. Speaker.

And, Mr. Speaker, the member should look at the systems across the country, Mr. Speaker. He should look at Ontario's system, which is falling apart. He should look at Alberta's system, which is falling apart, Mr. Speaker.

And he should listen, he should listen to those who work in land titles systems across, across this country, Mr. Speaker, who say that there is a market for this system across the world worth maybe \$4 billion, and that this is a system which is good for the residents of Saskatchewan.

Some Hon. Members: Hear, hear!

Water Quality in Maple Creek

Mr. Elhard: — Thank you, Mr. Speaker. Mr. Speaker, my

question today is for the minister responsible for safe water, the Minister of the Environment.

Yesterday a boil-water order was placed in the community of Maple Creek due to a positive test for E. coli in the tap water of one home. Of course the citizens of the community are very concerned about the situation and are hoping that they will receive an answer soon as to the source of the contamination.

Mr. Speaker, will the minister explain to this House today when the contamination was first reported and the steps that the various government departments have taken in the interim to determine the extent of this serious problem?

(14:15)

Hon. Ms. Lorjé: — Yes, thank you, Mr. Speaker. And I would like to thank the member opposite for the question and for the very responsible manner in which it was put. I would indeed like to outline the steps because this is an example of the system working, Mr. Speaker. Health and safety are the top priority.

Mr. Speaker, initially someone was not feeling well. They thought maybe it might be a water-borne illness, so the doctor encouraged them to have their water tested. The staff were sent to the home immediately. That was on the 11th.

A sample was taken on the 11th. It was sent then to the provincial lab in Regina. It was received in the lab on the 13th, Mr. Speaker. It was then read early Monday morning on the 15th. The water sample was put on the Petri dish, on the agar. The Monday morning showed that it tested positive for fecal coliform and total coliform.

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

Mr. Elhard: — Thank you, Mr. Speaker. Mr. Speaker, the citizens of Maple Creek understand how necessary the boil-water order is to take every precaution for the safety of residents in that community. But they are anxious today to hear the results of all of the other testing that has been carried out since the boil-water order was put in place.

Mr. Speaker, when does the minister expect to hear the results of all other testing and when will the town of Maple Creek be advised of those results?

Some Hon. Members: Hear, hear!

Hon. Ms. Lorjé: — Thank you, Mr. Speaker. After the test came back positive for coliform, we then tested for E. coli. We then went back in and took additional samples. At 4:30 yesterday afternoon we took eight samples throughout the water distribution system. The town also took samples. Those have now been sent to the provincial lab.

We expect that the results will be available by about noon or 1 o'clock tomorrow afternoon. By 3 o'clock I will be able to inform the member opposite exactly what the status is of those tests.

I would encourage everyone in this House to remain calm. A boil-water order has been issued. This is an example of the

system working properly as the people of Maple Creek know very well.

Some Hon. Members: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 28 — The Inter-jurisdictional Support Orders Act/Loi sur les ordonnances alimentaires interterritoriales

Hon. Mr. Axworthy: — Thank you, Mr. Speaker. I move that Bill No. 28, The Inter-jurisdictional Support Orders Act 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

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

Mr. Yates: — Thank you, Mr. Speaker. I'm not sure that I heard the request for the questions but when you stand up I think it's my turn.

Mr. Speaker, with leave today I am very pleased to table responses to written questions 103 and 104.

The Speaker: — Responses to 103 and 104 are tabled.

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 21 — The Collection Agents Amendment Act, 2002

Hon. Mr. Axworthy: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to move second reading of The Collection Agents Amendment Act, 2002.

Mr. Speaker, the main purpose of this Bill is to implement the harmonized list of prohibited collection practices developed by the Consumer Measures Committee. The Consumer Measures Committee is a federal/provincial/territorial working group that was established to improve the marketplace for Canadian consumers and to encourage the harmonization of consumer protection legislation across Canada.

The proposed amendments include a number of new provisions that provide enhanced debtor protection. Collection agents will be required to serve written demand letters on debtors before attempting to collect payment of debts. Debtors will have the right to notify collection agents, to communicate with them in writing or through their legal counsel.

Collection agents will be prohibited from threatening to publish or publishing a debtor's failure to pay. Collection agents will only be able to contact the debtor's family or friends for the

sole purpose of locating a debtor's address or telephone number unless the debtor has requested that the collection agency discuss the debt with that person, or the person has guaranteed the payment of the debt.

Also, Mr. Speaker, collection agents will only be able to contact the debtor's employer on one occasion and then only for the purpose of confirming the debtor's employment, business title, business address unless the debtor has authorized otherwise.

Collection agents will be restricted from contacting a debtor at the debtor's place of employment unless the collection agent does not have the debtor's home address or home telephone number in which case the collection agent will be able to contact the debtor at his or her place of employment on one occasion only and only for the purpose of requesting the debtor's home address and home telephone number.

Also, Mr. Speaker, collection agents will be prohibited from collecting or attempting to collect the money from a person who is not liable for a debt. If a person has informed a collection agent that he or she is not the debtor, a collection agent will be prohibited from continuing to communicate with that person until the collection agent has taken all reasonable steps to ensure that the person is, in fact, the debtor.

And, Mr. Speaker, collection agents will be prohibited from threatening to commence legal proceedings against debtors unless they are lawfully authorized to commence such legal proceedings.

Mr. Speaker, the proposed amendments will also continue to provide for a number of existing protections. Collection agents will continue to be required to indicate the name of the creditor with whom the debt was incurred, the balance owing on the account, and the identity and authority of the person making the demand when making calls or communicating to collect payment of a debt.

Collection agents will continue to be prohibited from harassing a debtor or the debtor's family or friends. They will continue to be prohibited from making collect calls to debtors. And collection agents will not be entitled to collect any charges incurred by a collection agent or incurred by a creditor in employing a collection agent to collect a debt.

Also, Mr. Speaker, collection agents will continue to be prohibited from making calls to collect debts during certain times of the day and certain days of the week. The proposed amendments allow the specific times during which calls may not be made to be set out in the regulations.

Mr. Speaker, today's Bill also includes provisions to update and modernize Saskatchewan's legislation. The Bill includes provisions that will allow the registrar to enter into agreements with other regulators. In particular, it authorizes the registrar to enter into agreements for the purposes of sharing licensing information and encouraging co-operative enforcement. The ability to enter into agreements with other regulators is particularly important as collection agents are often licensed to carry on business in a number of jurisdictions.

The proposed amendments also update the registrar's inspection

and investigative powers and update penalties for non-compliance with the Act. Updating these provisions will allow for a more effective regulation and improve the enforcement of the Act.

Mr. Speaker, the introduction of this Bill is one more important step towards harmonizing consumer protection legislation across Canada. Collection agencies are increasingly carrying on business in a number of jurisdictions and both debtors and collection agents will benefit from the implementation of fair practices that are consistent in all provinces and territories.

Mr. Speaker, thank you.

Some Hon. Members: Hear, hear!

Mr. McMorris: — Thank you, Mr. Speaker. Mr. Speaker, Bill 21, The Collection Agents Act, a Bill to amend that Act has a number of different parts in it that, I think, need much further investigation.

I was listening to the minister, Mr. Speaker, talk on this Act and he really went through how a collection agency . . . some of the dos and don'ts of a collection agency — what they can do, and when they can talk to a person that hasn't paid up, I guess, how many times they can go to their address, how many times they can go to their place of work, that type of thing, certain days when they can phone the person, certain . . . they need to know how much and the exact person.

But, Mr. Speaker, I think there's the other side of this argument too. Now certainly, any time that money is owed to a company or whatever, of course it should be paid up. But there's the other side of the issue and it certainly . . . when I was listening to the speaker it was giving a little, certainly giving a lot more leeway for the person that owes them money. If I was to owe a company money, there's only certain times that the collector can come and talk to me and certain places the collector can come and talk to me and that type of thing.

And that's all find and dandy. I mean, that's great. But you have to look on the other side of it when business is owed a significant amount of money and they have to finally resort, after all the means that they would no doubt take, before they even resort to hiring a collection agency.

And, Mr. Speaker, now are we tying the hands of a collection agency too much for a company to receive their money back? I mean, certainly there's rights on both sides of this issue, not only for the person that owes the money because of circumstances that he can't pay the debt or whatever it might be, but there's also the other side of the issue for companies that are owed the money, and are their hands tied now in receiving proper payment, Mr. Speaker?

So I think, especially in the province right now when we see more and more people leaving the province, a lot of people out of work and people having a hard time in the agriculture sector, I'm . . . not too many people run up a debt and expect not to pay it. Most people expect to pay it, Mr. Speaker.

But the problem is, is that if we give too much leeway for a person to owe money and the collection agency no avenues, or

start restricting the avenues that a collection agency has to regain this payment, it directly affects the business that has hired that collection agency.

So although a number of the issues that were raised by the minister look like they may be moving in the right direction, I think it's only fair to look at the other side of it, and look at small business and large business and how this will affect them when they are owed money and have to go to a collection agency, Mr. Speaker.

So until we are able to talk to the other side of the argument — the business, small business, the main engine of our economy, Mr. Speaker — we move to adjourn debate on this Bill.

Debate adjourned.

Bill No. 23 — The Registered Plan (Retirement Income) Exemption Act/Loi portant insaisissabilité des régimes enregistrés (revenu de retraite)

Hon. Mr. Axworthy: — Thank you, Mr. Speaker. I'm pleased to rise today to move second reading of The Registered Plan (Retirement Income) Exemption Act.

Mr. Speaker, the purpose of this new Bill is to implement an exemption from enforcement measures by creditors for registered retirement income plans.

Mr. Speaker, pension plans are currently generally exempt from enforcement measures by creditors, and this has created an ongoing inequity in treatment between wage earners who receive pensions for retirement purposes and those who are self-employed and whose retirement planning occurs primarily through the use of RRSPs (Registered Retirement Savings Plan).

Mr. Speaker, in 1999 following extensive consultations, the Uniform Law Conference of Canada adopted the uniform Registered Plan (Retirement Income) Exemption Act, which provides for the implementation of an exemption from enforcement measures by creditors for certain retirement income plans. This Uniform Law project is the basis of our Bill.

Mr. Speaker, wage earners who are provided pensions are protected from credit enforcement measures in recognition that it is in the broader public interest that retiring members of our community not be left destitute.

It's our view that while it is of course the responsibility of debtors to pay their creditors, those members of our community who are self-employed should receive the same retirement protection as those wage earners who are beneficiaries under a pension plan.

Mr. Speaker, the Bill is careful to indicate that it is only registered retirement savings plans, registered retirement income funds based on those plans, and deferred profit-sharing plans that would receive this protection. Furthermore that protection would only apply while those funds remained locked in a registered plan. Any early withdrawal of funds out of these plans would be subject to standard enforcement measures.

I'd also note, Mr. Speaker, that the general exemption from enforcement measures will be subject to enforcement efforts under The Enforcement of Maintenance Orders Act, 1997, in the same manner as pensions.

Mr. Speaker, by adopting the Uniform Law Conference of Canada's recommendation with respect to this important issue, Saskatchewan will once again be in the forefront of law reform in this important area.

This is a province that has a great number of self-employed individuals, and levelling the playing field for their retirement planning with that of wage earners strikes us as simple fairness for our small-business owners, farmers, professionals, and other entrepreneurs.

Mr. Speaker, I'd also like to note for this Assembly that while the Bill is based on a Uniform Law Conference Bill that was developed on a national basis and is recommended for implementation in all provincial jurisdictions, the Institute of Chartered Accountants of Saskatchewan and their executive director played an important role in the initiation and development of this project. And I'd like to thank them for their efforts.

Mr. Speaker, I'm please to move second reading of An Act exempting Registered Retirement Plans from certain Enforcement Processes.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Speaker. Well, Mr. Speaker, on the surface this does seem like . . . to be a piece of legislation that brings equity and fairness to the treatment of RRSP and pension funds; that those funds that are self-administered are treated in a similar manner to those funds that are controlled and regulated through a business where you have a company pension plan, Mr. Speaker. That is all to the well and good.

Mr. Speaker, though, again, we have another pension Bill here, as we have other similar Bills, that failed to deal with a problem that is developing in our society and that's the availability, Mr. Speaker, to transfer pension plans.

This talks about that ability, Mr. Speaker, to be able to transfer between one pension plan to another pension plan but it doesn't deal with, Mr. Speaker, with transfers dealing with separations of spouses. And that needs to be dealt with, Mr. Speaker; it's an ongoing problem. And I would have hoped that the minister would have included that in one of his pension Bills — this one or one of the other ones that he is bringing forward to deal with.

The Bill does deal with transfers of property from pension plan to pension plan.

He should have also taken a look at dealing with not real property, but capital investment — the money that you have in your pension plan, the funds — to be able to transfer that to another person's pension plan in the cases of separations, Mr. Speaker. That would have gone a long way to easing some of the difficulties that people are facing in this province, Mr. Speaker.

We need to take a look, Mr. Speaker, at just how the transfer of property is going to be accomplished and what impacts that may have on the pension funds that are put in place, Mr. Speaker.

So at this time we would move adjournment of debate.

Debate adjourned.

ADJOURNED DEBATES

SECOND READINGS

Bill No. 3

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Thomson that **Bill No. 3 – The Correctional Services Amendment Act, 2002** be now read a second time.

Mr. Heppner: — Thank you, Mr. Speaker. The Bill that we have before us at this particular time, Bill No. 3, The Correctional Services Act, is an Act that has a lot of particular aspects to it. And we'd like to cover some of those this afternoon and discuss some of the validity of the changes that are made and also some of the concerns that we have with it.

And I guess it's probably one of the more critical areas that this government is moving in because we have seen in the past decade provincial crimes, crime rates, going up dramatically to the extent that we've become leaders, unfortunately, across Canada and in some cases across North America for crime rates.

And this isn't just in rural or urban areas. This is all the way across. We have small towns that have some serious concerns with crime rates; we have those concerns right here in Regina, Saskatoon, and some of the other cities.

Saskatchewan overall, as I said, has a very high crime rate and one of the highest crime rates across the country. In specific, Mr. Speaker, we've had the record in car thefts in North America. We are in fact the car theft capital of North America.

In fact even the Justice minister has fallen prey to having his car stolen so there's absolutely no immunity from this plague. And maybe that's what finally urged the Justice minister to go ahead and bring this Bill forward, to try and protect his cars. I don't think he'd probably get a ride too quick if he was thumbing his way across this particular city.

But I don't think that this particular Bill will do much to reduce that. It addresses some of the issues but it doesn't do much to reduce the crime rate in Saskatchewan. And I think that's one of the concerns we're going to spend a fair bit of time on in this particular spring session, Mr. Speaker.

And part of it is due to chronic underfunding and part of the priorities of this NDP government. We had a commitment, as we're all aware, from this government some time ago, at the last election, a commitment for 200 more police officers. And we'll bring this up a number of times today because I think it says very directly, or speaks very directly to the priorities of this

particular NDP government — priorities that have very little to do with policing.

We had that commitment that was made and, till just very recently, Mr. Speaker, as we all know, the number was 42. The election seems to be a long time ago, and yet we've only had 42 police officers added to the number in Saskatchewan, a long ways away from the commitment that was made.

And there's an odd number of things that have happened here. A recent report to Regina City Council indicated that Regina Police Service have the highest workload of any major city in Western Canada — highest workload.

Okay, so that means that their people aren't sitting around with nothing to do. They are working hard. They have a lot of crime to go ahead and . . . crimes to solve. They have security concerns to take care of, and added to all of that, there's the other part that's expected of a lot of our police forces and that's to interact with the youth in the schools in our communities to create a positive attitude and an atmosphere with law enforcement officers and the youth of today. So the highest workload of any major Western Canadian city exists right here in Regina.

However, what's then interesting is that it shows that Saskatchewan has the most police per capita of all the provinces. Now that just doesn't seem to work on the same page. We have the highest workload, but we have the most police per capita. So what exactly is happening to create that situation?

Now if we have the hardest working police officers — we believe they are the hardest working, but more than that, they have the heaviest workload — and we have the most police per capita then we should, Mr. Speaker, logically have the lowest crime rate, or one of the lowest crime rates in Canada. That isn't the case. That's not the answer.

There are other issues that need to be addressed, issues that the NDP may be aware of but really have no idea to handle. Had they dealt properly over the last 10 years — in fact, Mr. Speaker, since 1944 when they started chasing business and opportunity out of Saskatchewan — had they dealt throughout that half century with issues such as poverty and unemployment and opportunity and substance abuse, and a whole wide-ranging set of issues, Mr. Speaker, I don't think we'd be in the situation that we are in Saskatchewan today where we have, unfortunately, these excessively high crime rates across the province.

Car thieves have said repeatedly that one of the things that they need some address . . . things that need to be addressed is substance abuse, because these two things, Mr. Speaker, go very, very closely hand in hand, very closely, because the stealing of cars can very easily be linked to a need for some money to maintain a substance abuse habit. On the other hand, if there's a substance abuse that takes place, the rational thinking that's out there with the young people is obviously not as good as it should be. And so something like stealing a car becomes much more acceptable to them in that situation.

Now substance abuse needs to be dealt with. But is it being

dealt with by this NDP government? No, it is not. No, it is not. They've shut down situations. They've shut down facilities. But those need to be addressed.

We had . . . One of our members from this side, a day or two ago, spent quite a bit of time dealing with the need for the NDP government to deal with substance abuse. And all we heard from them was a lot of complaining that we were even talking about that particular issue.

And what's really serious when we discuss this, Mr. Speaker, is that it's . . . that what we have done, what the NDP has done is failed the youth of this province. They've failed the youth of this province, which basically sets up the possibility of a lifetime involvement in crime. And very specifically, that government, that NDP government has to take responsibility for that and has to take the total responsibility for it. And to what extent this particular Bill is going to address that, we'll have to see as we discuss it and as we debate it.

In a province that has a relatively high percentage of seniors, the crime rate must obviously cause a lot of concern for that because that's one of the things that seniors are always concerned about, is security. They just don't feel they have the ability to protect themselves. They don't have the mentality of invincibility that younger people tend to have. And they know that, if someone breaks into their home, they may not be able to protect themselves. In many cases, they know they can't protect themselves. And so, when we aren't dealing with that issue correctly, it's definitely a concern for our seniors.

Women and children are also often victims of crime. StatsCanada reports that 55 per cent of all female homicide victims are likely to be killed by someone they knew, compared with only 6 per cent of male victims.

Well we're dealing with The Correctional Services Act and we're going to want to see how that addresses that issue and does it actually provide some more security for those people in our society who need it so much.

There are some measures in this Bill that we believe, Mr. Speaker, will move in addressing some long-standing issues. But overall this Bill still won't be addressing the serious crime problems that exist in Saskatchewan.

Now let's look at some of the positives on this particular Bill, and there are some there, Mr. Speaker.

One of the measures that we do agree with is that the NDP has finally given the victims of crime some rights. And I think that's been an issue that has sort of been developing over the years where victims felt, we have to have some say in what's going on. We've been the ones that have been victimized; we're the ones whose property has been vandalized; we're the ones who have suffered for this. So we need some opportunity through the justice system to be able to be heard and to be able to be given some say in what's being addressed and how it's being done.

Bill No. 3, Mr. Speaker, does that. Bill No. 3 does that. For example, that when an offender is being considered for release, the victims must be notified. And I think that's a very good

measure. So the victims don't sort of have to say, it's up to us to find out what's going on in corrections, it's up to us to find out whether there's an early parole, it's up to us to find out where this person is being transferred.

They do not have to take the initiative and, Mr. Speaker, they should not have to take the initiative. These are the victims of crime. This Bill gives them the ability to know that when the perpetrator of the crime for which they were the victim is being released, it is the responsibility of the justice system to contact them and say, the person who perpetrated that crime on you is now being released into society.

We do recommend that. That is a good move and we support that fully. I think if we talk to any victims in our society, we will say that something has to be there.

We often also hear that people who are offenders are being coddled and that the system often turns its back on the criminal and it is the victim actually that is being coddled. It seems that this Bill is going some direction in looking toward the victims and saying they have some rights, they deserve some respect, and they deserve some opportunity for being involved in the justice system.

We're also encouraged that this Bill recognizes that offenders shouldn't automatically have their sentence reduced by one-third for time served. We think that's good because I just talked about this concern that victims too often have the feeling that the offenders are actually being coddled. But instead they'll have to earn their release by good behaviour and participating in appropriate programs.

That's good, Mr. Speaker. Bill No. 3 addresses that. So that finally if the behaviour isn't adequate, if they haven't made some effort to sort of rehabilitate themselves by getting involved in programs that are out there, there will be no early release for them. We recommend that. We think that's a good move and that's one of those things in this particular Bill that we're in support of.

We're concerned with the provisions that recognize conditional sentences. Conditional sentences usually mean that the sentence is served in the community and the offender must comply with certain conditions. Now this can most certainly be applied to the province's large number of young offenders who are often in an open custody situation.

However, based on experience and particularly statistics — and that's where we as a province have fallen so far short, Mr. Speaker — when we look at the stats and where we're at in this province with crime rates, we find out that StatsCanada reports indicate that Saskatchewan has the highest rate of youth crime in the country.

The Youth Court caseload is more than double the national average, not just somewhat higher — because we could say well, it's a glitch in the economy, our economy has done a downturn and therefore some people have had to turn to a life of crime to maintain a livelihood — but that we're the highest in the country. And that our Youth Court caseload is more than double the national average — a little over 900 cases for every 10,000 youths, where the average is around 400 for every

10,000 in the rest of Canada.

In fact, Mr. Speaker, the province's youth caseload has increased a whopping 7 per cent in the last five years — 7 per cent in the last five years. And we hear around Saskatchewan the statement, crime's going up. And when we leave this province and we ask that same question, we sometimes get a bit of a blank look from people in other provinces.

Nationally, Mr. Speaker, there has been a decline, a decline of 7 per cent in youth caseloads. In Saskatchewan it has gone up 7 per cent.

That is one of those things that when we talked a little earlier on about seniors being concerned about the security that they experience, it's one of those things that affects that feeling very much when they understand what's happening with the stats that is there.

When you put all these reports together, you see Saskatchewan has a very high youth crime rate. At the same time, the justice system is incarcerating a disproportionately high number of young offenders. The system just isn't working, just isn't working. And the fact is the workers are overworked but the system itself isn't working.

One of the biggest problems we have with this Bill, Mr. Speaker, is that it limits the age of a young offender as someone who is between the ages of 12 and 16. Now it's always an interesting issue when this is being debated. Where should that particular line be, line be drawn — where you're into adult court, where you're into youth court, or where you're just considered that you don't even fit into any of those two categories.

This particular Bill defines a young person between the ages of 12 and 16, between the ages of 12 and 16. Now what happens to someone who is then the age of 11 years and 10 months, 9 months, 8 months, whatever else, may be just as adept at committing crimes as someone who's 12 years of age. And yet those people, those young people then can't be addressed in any way. They're basically taken off to the police station and then they're taken home and that's about where it all ends.

I think there needs to be some situation that's set up where the courts can look at a young person even under the age of 12, and since we really have . . . what we have here is sort of a hard core 10-year-old, or hard core 11-year-old, and maybe move them into that kind of a situation where they can be dealt with as a young person would be dealt with committing that crime between the ages of 12 and 16. Just as we can sometimes move people from, from a youth crime into an adult court, I think we have to be able to do this with a few people — the children.

Now that's a frightening situation, and I don't think we have to . . . we need to walk into this and say, okay, we're going to take off the number system, the age limit, and everyone just gets shuffled through because we need to deal with them according to their age. But sometimes you have some hard-core individuals that just need to be dealt with differently. This doesn't give the courts the opportunity for making that judgment call.

And I think we will, as we progress through this Bill, we will be dealing with that and presenting to this legislature some of the ideas that are out there that we have, how to deal with them. We can't tolerate those sorts of things going on. It's as I said, one of the ways in which the NDP has failed the youth in this particular province.

This Bill also makes some changes to reflect the wording that will be consistent with the new federal Youth Criminal Justice Act. And I know that's been a long time coming. All the provinces together, together with our Justice department and our Justice minister, has met with the federal wings over the years to try and change the Youth Criminal Justice Act.

Well that has sort of taken place and so we need to streamline our justice system with where the federal system's going, and to the extent that this Bill, Bill No. 3, does that, we're satisfied with where it's going.

Yet it was only agreed to a short time ago. We're wondering if the Justice minister's had sufficient time to make sure that we're exactly streamlined with what the federal system is and where it happens to be going.

Bill No. 3 also gives increased powers to probation officers who can now arrest an offender on probation who has committed an offence, something previously not provided for. And if we stop to look at where we were at one time, this is an excellent move because previously if you had a young offender on probation and he committed an offence, he couldn't really be arrested. And that would probably raise eyebrows all over this province, as it should — as it should. This Bill goes some direction toward doing that.

Since the NDP have been cutting funding and resources for policing in the past decade, it only makes sense that others will be forced to make up the difference. And what we've had is that the police, the corrections administration, social services, all are being asked to carry an extra load because the NDP government has not dealt with their justice issues, with youth crime, with the causes of youth crime. We haven't dealt with those adequately, as I've said, over the past 10 years and maybe even longer.

Given the large number of inmates . . . or with substance abuse, and we've heard those kinds of things mentioned in the past while, particularly in our media, had a few of those mentioned that were pretty frightening, Mr. Speaker. We're encouraged to see some amendments in this Bill that deals with searches in correctional facilities expanding to include urinalysis. And I think that's a good move.

There is absolutely no excuse, Mr. Speaker, for our prisons to become centres of drug abuse. It's the last place that that should happen. When we have the security that's there, and then to say that drugs seem to be able to have such easy access into our penal institutions, is unconscionable. And to the extent that this deals with that, I think we need to support it.

Overall we're encouraged by some parts of this Bill. There are others that we are seriously concerned with. And as I said earlier on, Mr. Speaker, there are a few areas where we will be recommending some changes in the future.

And at that point, I think there's a number of other people from this side of the House who very definitely want to deal with this particular Bill because it's important to all aspects of our life in this province, to make it a secure life, a safe place to live. It's a great place to live but it very often isn't as safe as it should be.

And in order to give opportunity for other people to address this Bill and to make some of those changes, at this time I would like to adjourn debate, Mr. Speaker.

Debate adjourned.

Bill No. 7

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Axworthy that **Bill No. 7 — The Electronic Information and Documents Amendment Act, 2002** be now read a second time.

Mr. Heppner: — Thank you. Bill No. 7, Mr. Speaker, dealing with The Electronic Information and Documents Act. And people on my side of the House may sort of smile at the fact that I'm the one that's dealing with this one.

But there is some interesting concerns that everyone has as we're moving into this electronic age, and that is how do you deal with the sending back and forth of legal documents?

I mean no one has any concerns with access to a lot of the other things we do with it. We send letters, we send notes to our friends, we buy things on eBay, we do all sorts of things. But what happens when we get into very much the legal aspect of sending legal documents?

And we're looking at this particular Bill closely, Bill No. 7, and there are a few things there that are worthwhile noting. It changes some of the definitions and it changes some of the directions that we were at in Saskatchewan.

We know that the government processes are not exactly the most adaptable to new technology and new ways of doing things. So we do find it positive the government is obviously continuing to put in place various rules and regulations so that as we send documents back and forth — legal documents, documents going from individuals to government, from government back to individuals — to make sure that first of all no one else can get into that particular system and sort of mess with the correspondence that's going on between the government and the citizens of Saskatchewan.

And also to make sure that when we do sorts of things, like how do you sign your name on electronics? We're all used to taking out our, you know, ballpoint pens, signing our name. Somebody else says later on, is that your signature? And you look at it and you say yes, that's my signature.

Well when you do that through an electronic system, how do you guarantee the security of that signature? How do you guarantee all those sorts of things in the new technology?

Dusty piles of paper and books, Mr. Speaker, have given way to the Internet. The era of instant communication is good because it's fast, it's quick, it's efficient, it should go ahead and cut

costs.

Now on a sort of on a sidebar to that, Mr. Speaker, it only does cut costs and it only is more efficient if the people who create the system and put it in place know what they are doing. And as you just recall from question period not long ago, Mr. Speaker, we had the question asked of the Justice minister: would this create an extra cost dealing with things electronically? ISC, would this create extra costs for municipalities with the work that they have to do with land titles?

The answer was no, and then the answer was I don't know, and then the answer was just a lot of time-filling that took place.

So we've had things that have gone awry seriously. You, yourself, Mr. Speaker, will very well recall the other day when we were discussing the efficiency of the system. With the old paper system that we've had in Saskatchewan since just shortly after the turn of the century — maybe even before that — where there was some titles that were recorded had one piece of paper. One piece of paper and would have on there the owner and then it would list what town or RM (rural municipality) this property was in, it would list the plan, it would list the lots, it would list whether the minerals were included, and all that information. And everyone in Saskatchewan has been able to figure that out for generations.

And turned it over on the other side, there would be listed all the liens and mortgages and those things that were against that piece of property. Everyone in Saskatchewan could understand that.

And you, yourself, will recall very well the other day, Mr. Speaker, when we were looking at the new system, how I unrolled one sheet of paper, a long brown sheet on which were . . . on which were taped 20 sheets of paper — 20 sheets of paper — that had replaced the one that we used to have, the one that we used to have.

So things are efficient and things are fast only if the people that are setting them in place know what they're doing. This NDP government does not know what they are doing. That's why they've traded one sheet of paper for 20 sheets of paper.

And the members opposite who are . . . (inaudible) . . . know what I'm talking about, know very well, they just saw that roll unfold before them. They could very well count to 20 all by themselves, Mr. Speaker.

The cost, in fact, the cost had gone from \$2 to \$60, from \$2 to \$60. So it's not efficient when this government sets it up. When the NDP do it, it's not effective and it's, cost-wise, more expensive.

(15:00)

So when we look at Bill No. 7, Bill No. 7, we're definitely interested in new technologies. However, when it comes to an issue like this one, we have to go ahead and raise a few areas of concern. And as I did that already with ISC, we looked some time ago when we went through SHIN (Saskatchewan Health Information Network). And the members opposite over there remember SHIN when we went through that and some of the

concerns that were there. This government does not have a good record of moving us into the electronic age.

Well, Mr. Speaker, when we look at Bill No. 7, it does take care of some of the concerns that are out there. It does move us further into the electronic age. And hopefully this government will continue moving in that direction, making some of the corrections that are needed.

And so at this time, Mr. Speaker, we are prepared to move Bill No. 7 into Committee of the Whole.

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

Bill No. 8

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Axworthy that **Bill No. 8, The Family Maintenance Amendment Act, 2002/Loi de 2002 modifiant la Loi de 1997 sur les prestations alimentaires familiales** be now read a second time.

Mr. Heppner: — Thank you, Mr. Speaker. Bill No. 8, Family Maintenance Act, I think those of us in this House as MLAs has probably been one of the things that we get a lot of phone calls from — maybe even the most, depending on the various areas that people represent. But family maintenance is always one of those that gets a lot of people calling up their MLA and say, can you help me in this situation?

And it's probably one of the most difficult ones that I think we as MLAs deal with, because there's always two sides to the story. And on the first phone call we tend to only get one. And sometimes we don't always get the second story, and then it requires a certain amount of experience and a certain amount of wisdom to be able to listen to the situation as is explained to us, and to decide exactly where the truth lies with family maintenance.

Because these are very emotional issues. These are issues that are very near the heart of all the people that are involved in them because it's their children that usually come into play in this situation. And so anything that deals with family maintenance involves some of those things, as I've stated, that are fairly critical.

This particular Bill, Bill No. 8, is not a long document but it basically deals with an amendment to The Family Maintenance Act from 1997 and deals with an obligation to provide child maintenance.

Now this particular Bill is sort of an item that combines the federal Divorce Act and The Family Maintenance Act that we've had on the provincial scene, Mr. Speaker. We are encouraged to see the NDP taking some steps to streamline the provincial legislation with the federal legislation on this one.

And the previous Bill that we discussed dealing with youth crime, there was also a streamlining of the provincial legislation with the federal legislation. It's important that that happens, especially when, as we're all aware, our court systems in this province are very overloaded and overstressed.

One of the concerns that people always say is why does it take so long to get through the courts. A crime has been committed. In some cases, someone's been caught and then it seems forever till, finally, there's a judgment made. Our courts, Mr. Speaker, are way overloaded and that's where one of those concerns come from.

For years we've been talking about — members on this side of the House — for a need to review the court system. For years we've been saying too many families are spending too much time fighting it out in front of a judge and, as you know, Mr. Speaker, there are some other ways of doing this.

There are some number of lawyers in our province and other provinces and in the States as well that are moving toward a system where they try and get some of the marital disputes dealt through a system that is a whole lot more friendly, where they sit around a table and say yes, there's a difficulty with this marriage, this marriage is coming to an end but we don't want it ending with a whole lot of hatred and vitriolic statements being made in a court of law. And so they will sit around face to face and say how can we . . . how can we break up this marriage, because that's what's happening unfortunately, and do it in as amiable a way and especially as concerns the family and the children so that their interests and their emotional stability are served best in what's taking place.

And so, there's a new thinking that's out there. And to the extent that we can deal with that, this Bill goes some direction in going down that road. What this does, Mr. Speaker — and unfortunately this doesn't quite fit with the collaborative family law situation I was talking about — but it changes the onus and I think this is fairly important.

The onus traditionally was that when someone turned the age of 18 and was still involved in education and the parent that was providing support, who would then decide that the support should be ongoing? It was assumed under the old system, Mr. Speaker, that support just quit at age 18, and then the son or daughter who was continuing with some further education would have to make application to say I need this support to continue because I am continuing with my education.

Now that creates a couple of problems because it necessitates that that person is familiar with the law and knows that now I'm 18, support's going to cease unless I make application for it to continue.

So the system itself had a gap in there. It was a legislated gap in the support. And that's unfortunate. This particular Bill, Bill No. 8, changes the direction of this, Mr. Speaker, where the support continues unless the supporting parent makes application not to have it continue.

So this is a whole lot more smooth. And I think that any parent who's providing the support until age 18, and isn't one of those parents that's trying to abrogate their responsibility will be quite prepared to say, well, if it's valid to provide that support at age 18, I think it's valid to support at age 19 and 20. So this Bill changes the direction of that, and to that extent, it is a good idea, Mr. Speaker.

It also addresses some of the other issues that came up that we

had, as soon as we heard that government was going in this particular direction. And that was does this now mean you can have sort of a professional student? Does it mean that this student then can be supported for the next 30 years as they're just off at university and the supporting parent just has to keep putting the money into place? That's not how it works, Mr. Speaker.

Basically with this particular Bill, the support continues after age 18 in a smooth way, as it ought, but basically only covers one degree. So after the first degree has been accomplished by that student, then the support is off there, and they have to sort of look after their own funding. I think that makes eminent sense, Mr. Speaker.

And because it makes that much sense, we are quite prepared to support Bill No. 8 and have it move on to Committee of the Whole.

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

Bill No. 9

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Axworthy that **Bill No. 9 — The Real Estate Amendment Act, 2002** be now read a second time.

Mr. Heppner: — Thank you, Mr. Speaker. This Bill, Bill No. 9, The Real Estate Act, is an important Bill, not overly lengthy but has a lot of information in it and we have many questions on it. And I believe we may want to look to make some changes on it as well.

The Speaker: — Why is the member from Regina Qu'Appelle on his feet?

Hon. Mr. Wartman: — With leave to introduce guests, please.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Wartman: — Thank you, Mr. Speaker. I'm very happy to introduce to the House today a new resident in our city, one who I think will bring many wonderful gifts and abilities into developing the city of Regina — Tim Feduniw, who is up in your gallery.

Tim is with the Regina REDA (regional economic development authority), heading it up now. And he comes to us from Medicine Hat where I'm told by relatives in the area that he's done a tremendous job and we know that Tim will do well for the city here as well.

I'd like the members to welcome him to this House, please.

Hon. Members: Hear, hear!

ADJOURNED DEBATES

SECOND READINGS

Bill No. 9 — The Real Estate Amendment Act, 2002 (continued)

Mr. Heppner: — Thank you, Mr. Speaker. Real estate is always a good barometer, Mr. Speaker, on how the economy is going. We hear from time to time on how well the realtors are doing and it's always based on what's being sold. Things, Mr. Speaker . . . Property is not sold when things are dead. No one wants to buy a house in a town where no one else lives. No one wants to buy a business in a community where it's guaranteed that business is going to fail.

So when things are moving, when things are being bought and sold, it usually is a sign of a vibrant economy. So The Real Estate Amendment Act, Mr. Speaker, brings to mind how well this province is doing. And we need to look at that when we're going to discuss this particular Bill, Mr. Speaker.

This Bill deals with some of the amendments that the government is seeing fit to put forward and talks about different clauses — the number of days that certain things stay in place, agreements with other jurisdictions, restrictions and access to information, all sorts of things.

Now it's very critical to determine how this is going to affect real estate in Saskatchewan, how it's going to affect business in Saskatchewan. Because if we're putting in place more red tape, more impediments to things progressing, to moving around this province, our economy is just going to do a whole lot worse.

We just have in front of me, Mr. Speaker, a copy of the NDP's election platform. You probably, Mr. Speaker, very well remember that little folder that was handed out around the province. And the heading right on top — there was a little line right at the very top which just repeats, "more jobs, more jobs, more jobs," and then fades off into infinity. Which is very much what happened with those promises — they just faded off out of sight.

We'll help create 30,000 more jobs. Those jobs haven't been created, Mr. Speaker. They haven't been created anywhere.

They talk about how they're going to do that — keeping business taxes competitive, public service, lower public debt. Oh, lower public debt. This is interesting because when there's debt in place, Mr. Speaker, you know that we aren't going to have much selling of property. Where we're busy paying off debt, there is absolutely no way, Mr. Speaker, that when there's debt in the system that you can afford to go ahead and buy real estate — very, very critical.

Thirty thousand more jobs didn't happen. Now is the reason it didn't happen is because we have real estate Acts and red tape in this province that hinders the movement of money, the movement of private business from one place to another, private enterprise, private enthusiasm? Yes. It's the way this government works; it's the way this government thinks. Every chance they get, Mr. Speaker, they'll put up some more red tape to hinder business.

What's the record, Mr. Speaker? What's the record? Well let's just look at one particular example. One of the things that affects real estate very definitely is Information Services

Corporation. Nothing in real estate moves, Mr. Speaker, nothing in real estate moves without going through our Information Services system because we need the titles, we need the information of who owns what on it, what liens are against a piece of property — we need all that.

(15:15)

The Real Estate Amendment Act is critical to the freedom that business feels in this particular province. And yet, Mr. Speaker . . . And yet, Mr. Speaker, it's been a disaster. Eighty million dollars spent and we present letters on a daily basis to this House — to this House — where the system created by the NDP government creates nothing but problems and difficulty. The expenses go up; the paperwork goes up; cost to RMs goes up; cost to towns go up. All of those deal with real estates and those sorts of things. This particular Bill, Mr. Speaker, is one of those Bills that I believe is going to slow down business and business movement in Saskatchewan in a major sort of way.

We lost, for example, \$28 million on a potato farm. And this government said, it's a success. So we have to question when they come up with another plan. Is this going to be another one of those success sorts of things like potatoes happen to be?

Mr. Speaker, we need to stop out-migration. I look at the *Leader-Post*, Wednesday, March 13, 2002 — not very long ago — “SARM wants to stop Sask. out-migration.”

Business, labour and government must rally together to stop the exodus of . . . young people from the province, says the president of the Saskatchewan Association of Rural Municipalities.

Mr. Speaker, if we don't streamline the red tape in this particular province, if we don't ensure that business can be done effectively, quickly, securely, and that business is going to feel secure doing business in this province, all we're going to do is chase more opportunity out of Saskatchewan.

We've done that since 1944, Mr. Speaker. We've done it in the last 10 years in a major way — in a major way. In the last 10 years, we have lost more people than ever before from this particular province. And that's been the NDP that has brought that to this province. And no one else can take responsibility for it and no one else should take responsibility for it; but this NDP government has been a total failure. A total failure for 10 years, Mr. Province . . . Mr. Speaker. Okay.

Mr. Speaker, as we look through this particular Bill, we're going to be dealing with restrictions on information. And we have some serious concerns in what new ways this government is going to want to restrict information.

We asked the question earlier during question period — we asked numerous questions — with the exception of the last set of questions, there were no answers. So restricting information and access to information is something this government is good at. We will want to see exactly who they allow to access their new system. Who's going to be able to access real estate information and who won't be able to access it?

Agreements with other jurisdictions, exactly how is this going

to be dovetailed with other provinces in case we need to work between the two jurisdictions in this province and in other provinces?

We have some very serious concerns about Bill No. 9, Mr. Speaker, and for that particular reason we'll need to look at it much more closely than we have up to this particular point. We'll need to contact many more people from the real estate because this is one Bill that will affect absolutely everyone in the real estate business. It's going to affect absolutely everyone who is selling something in this province and who is buying real estate in this province.

It's too important an issue to move on at this particular point. And so, Mr. Speaker, I move to adjourn debate on Bill No. 9.

Debate adjourned.

Bill No. 6

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Serby that **Bill No. 6 — The Horned Cattle Purchases Amendment Act, 2002** be now read a second time.

Mr. Brkich: — Mr. Speaker, I'm pleased to have the opportunity today to speak to the horned cattle purchase amendment Act. Now this Act addresses the issue of horned cattle in Saskatchewan as to ensure against injury of cattle in the province. And I believe it is important that we maintain a process to encourage dehorn . . . to encourage dehorning of cattle here in Saskatchewan.

But it's a process that I'm a little worried about with the NDP bring about. One of the things that they've brought in is jumping it, Mr. Speaker, from \$2 to \$10, which is a 500 per cent increase, Mr. Speaker. Now that's quite an increase — from \$2 to \$10. I would just use the example of you, if you had a parking space and you used it a number of years and paid \$2 and now one day you went there and you had to pay \$10. It's quite a jump.

And, you know, over the number of years and even in my time — and I imagine more in your time — you can remember that there was more horned cattle . . .

The Speaker: — Order, order. The member knows full well that the Speaker, no matter what good example he can set, should not be used in debate.

Mr. Brkich: — I'm sorry, Mr. Speaker, on that. I'll talk in my last 20 years, going through the markets, I've seen a lot less horned cattle than there was 20 years. So my kind of a question to the minister would be, is why is it going up? It should be . . . honestly, it should be going down because there has been significantly less horned cattle going through the markets over a number of years, Mr. Speaker.

The process has been working. Now why is it going from \$2 to 10, which a lot of producers have asked me. They say, you know, we know that there has to . . . there's always been a charge of \$2. At one time it started, I think, at 50 cents, Mr. Speaker. From there it went to \$1 and then to \$2, and it went up

slowly over a number of years.

But why are they jumping from 2 to \$10, especially now as the market . . . I would say, talking to some producers, there is probably less than 5 per cent of cattle are going to the market right now with horns. So that fund now that they're collecting is, I understand is . . . what the minister calls it is a support research design fund.

A producer asked me, now what exactly are . . . do they do with that money they're collecting? I would guess maybe they were collecting, he had said, \$100,000. It was just a guess. Now they're going to be collecting \$500,000. Now that's quite a significant increase over . . . you know, in one year.

What is a design, and that money going to be used for over a number of years, in the next few years? To eliminate horned cattle in this province totally? Or is it going to research of polled cattle? Who is doing the research?

There's a lot of, with this Bill kind of, some unanswered questions which I've had producers ask me about the Bill. And frankly up to this point I haven't been able to answer them at that. So I'm hoping further on, by other members coming up in this debate, and that we will get some answers maybe from the minister.

Another point that was made to me today when the producer did phone me, he said, with this fund, is it going to be like that Fish and Wildlife Fund that they pilled up? Are they going to take, take it after a couple of years? And frankly, Mr. Speaker, honestly, I couldn't answer him. Because I don't know who controls that fund. Is it, when it goes in there, is it a cattle producer association or is it the government that's controlling it, or is it an agriculture research that is controlling that fund?

And once if . . . when it's going to be climbing up to possibly a half a million to \$1 million a year, it's — or over a number of years it could climb that high — it's some questions I think that should be asked, Mr. Speaker.

You know and it's just another thing that basically puts more emphasis on the producer to . . . more costs on the producer at the end of it. You know, it's like you say, most cattle are going through . . . at it.

Another question that was asked to me is, at \$2 a lot of guys didn't mind. Because I can . . . one guy said he had a, you know, a steer went through, he said, he didn't think it even had any horns. Maybe it had little nubs. He was charged \$2. He kind of just wrote it off. He said, you know, I really didn't . . . that animal isn't going to cause anybody any damage, but they charged me \$2. Now with \$10, he says, I'm going to be starting to look at that.

What is the criteria — and the minister has yet to answer that; I've asked him — what is the criteria for the horns now? What is the length of them? How many . . . Basically how big are they before they're going to start charging the \$10 on it?

When the member was talking about \$5 . . . I'll use an example. I have two cattle that, that I dehorned when they were younger, and one horn grew back. And he said, it happens sometimes

over a number of years. Does he only going to charge me \$5 now? Instead of the \$10, I wonder if I should only pay 5.

But talking about dehorning though — and it also is stressful on cattle. It's going to put more emphasis on guys to basically dehorn cattle. You dehorn; a lot of guys dehorn when they're at the heifer/steer age, and then . . . but it comes back. An odd time there's horns that come back.

So now when that cow, when it's . . . they're going to ship it a number of years later, it maybe has part of a horn growing back. Are they going to . . . you know, a guy's going to say 10 bucks, maybe I should dehorn it again. And it is very stressful to cattle, especially older cattle, to dehorn them, Mr. Speaker.

Another thing going through this Bill is it doesn't specify but talks about when cattle are brought to the auction market here. You're charged \$10, Mr. Speaker. And then if a buyer, out of province, moves him to another auction mart, they're charged there. Now does that mean that on that same animal they're going to be charged twice on the same sale?

And the minister talks a little bit about it but he doesn't say where that money comes. If that cow is moved to Manitoba and there's a fee collected there, is that fee then come back again to Saskatchewan on that same animal that was collected the day before as it went through the auction mart just because a buyer out of province bought it? That's a few questions . . . another question that has to be answered on this Bill.

Another, like say the accounting end of it was raised in numerous means to me.

With that, Mr. Speaker, I was just looking at a couple of comments that the minister did. He said he talked to a lot of the associations, the Stockgrowers Association, the Cattle Breeders Association, different organizations.

But I don't know how many producers he actually talked to because I think the elimination of the horned cattle in Saskatchewan is basically a good thing, but again it's falling on the actual producer again. It's not falling onto the feeder associations, it's not falling even on the people that are buying the cattle after they've been processed. You know, it's back again, just back to the farmer again that's growing the raw product, that cost is passed back again to the producer. And it's \$10 or a \$500 increase, it's a significant charge added.

But with that, Mr. Speaker, I'm just wondering: it's interesting to see if it's a goal of this NDP government to basically eliminate all the horned cattle in Saskatchewan. But with that, I'd like to adjourn debate because I think there's some more members that would like to talk to it, and I would like to find out some more questions on this Bill.

Thank you, Mr. Minister.

Debate adjourned.

Bill No. 12

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Serby that **Bill No. 12 — The Farm**

Financial Stability Amendment Act, 2002 be now read a second time.

Mr. Elhard: — Thank you, Mr. Speaker. This particular piece of legislation has a very important element to it; one that will affect many constituents in the Cypress Hills and one that I have just recently become, unfortunately, quite aware of.

The issues that this Bill address were brought to the attention of the Sask Party caucus by members of the Saskatchewan Feeder Co-op Association. They came and saw us and laid out some of the complications that, that were affecting their industry and said that some suggested changes that were going to be put forward by the government would address the complications and they saw some urgency associated with that particular issue and this particular piece of legislation.

In the interim, Mr. Speaker, I have had the unfortunate opportunity to address the consequences of the legalities that have affected some of these feeder associations in a very negative way, frankly.

The feeder associations have been in this province for a number of years. And that program of financial support has been very effective, I would gather, for about the last 15 or 20 years. And it's grown in popularity to where many producers in this province have come to depend almost entirely on the feeder association financial program to stock their summer herds or to buy breeding herds, whatever the situation might be. This has become a very effective tool for cattle owners in this province and . . . as part of the attempt to build the herd in this province.

But what has happened, Mr. Speaker, in several instances — I believe the numbers run up in the half-dozen range or so — what has happened is that court orders have intervened in the affairs, frankly, of the loan associations, these feeder associations, to the point where it's thrown several of these organizations into financial limbo. And maybe a better way to describe it would be financial chaos.

What we've had in the past and in the recent past is a situation where a court has handed down a ruling that has allowed creditors to seize the assets of individuals — in this case, usually cattle — to pay off personal debts. But the cattle themselves have not been owned by the producers directly. Those are cattle that have carried the brand of the various feeder associations.

(15:30)

And the impact, Mr. Speaker, has been that the other members of the feeder associations have been penalized financially or have had a great deal of money tied up in legality and in court proceedings through no fault of their own because of the financial difficulties of one member.

Now I think, in our understanding of the way the cattle industry has operated over the last 100 or more years in this province, the brand on an animal has determined the ownership of that animal. And with the court actions most recently, we have seen the integrity of the brand — which has stood the test of time in this province — we have seen the integrity of the brand affected where the courts have actually overruled the right of ownership

that's indicated by a brand.

Having had that kind of a situation develop, this particular piece of legislation will attempt to correct that type of situation developing in the future. And so the brand from now on will be dedicated to, and the ownership of the animals, will be dedicated to the feeder co-op and not in any way the members of the co-op.

What will happen as a consequence, to restore the integrity of the brand and the ownership by the feeder co-ops? This particular legislation is being changed in a way that will now impact cattle owners and buyers in kind of a perverse sort of way because, with the removal of ownership from the individual specifically now taken by the feeder co-op, when a producer borrows money from the feeder association co-op to get cattle, those cattle will no longer be a tax deductible item for the individual buying them.

Now historically, we've had the integrity of the brand as part of the ownership of cattle. But one of the other very important preserves, financial preserves for cattle owners and ranchers in particular, has been the tax deductibility of cattle. So we have an unintended consequence in this particular piece of legislation that will negatively affect ranchers and cattle buyers as a result of these changes.

So I think there needs to be some weighing off of the benefit of tax deductibility versus the ownership issue that we are seeing here. But I'm not so sure that in the long run, that kind of a trade-off will ultimately benefit the people who are most negatively affected.

There are some issues that I'd like to refer to in the introduction of this particular piece of legislation brought to us by the Minister of Agriculture, in which he said the amendments are considered essential in order to clarify within the Act that livestock purchased by the association are now the property of the association, rather than the individual. And, as I mentioned, the urgency of this, of this particular issue brings to a forefront some complications that were unintended but may actually be fairly deleterious to the ranchers and farmers in the future.

Mr. Speaker, other changes that are going to be incorporated as part of this legislation would allow for regulations to prescribe the various commodities that would be covered by the livestock loan guarantee program. For the most part, this loan program has benefited people who wanted to buy feeder cattle. Maybe they were buying cattle for summer grazing. Maybe they were buying breeding herd cattle. Whatever the implications of this change are, it seems to me that the minister is talking about expanding that loan guarantee program to include other commodities, but it hasn't . . . the minister has not addressed and neither have the explanatory notes exactly, what those intended commodities might be.

There is a further repeal, that affecting section no. 60, and it is going to be substituting the existing section to clarify that the association is the owner of the commodity purchased and the association does not act as a trustee for the member producer. I think the courts have clouded that particular issue in some of their previous considerations and rulings based on this particular piece of legislation. And this Act, I understand, will

confirm that the association in no way acts as the trustee for the member — the individual whose financial state is being scrutinized by the courts.

There are some questions from the association that is based in the community of Eastend. When that particular association was affected by a court ruling, it tied up the assets of all of the members. And I understand that through some legal provisions in effect, the brand inspectors were able to seize the money that was generated by the sale of cattle that had the brand of the feeder association on it. The money was taken by the brand inspectors and ultimately brought to the provincial treasury. I understand the Department of Agriculture is holding that money right now.

But while the department holds that money, there are 150 members of that feeder association who are in limbo. They have a great deal of money tied up there, through what they call an insurance program, which is unavailable to them. All of their assets basically are frozen. All activity of that co-op has ceased pending the court action.

And we now have 150 potential cattle buyers, who have most of the revenue they would use to make those purchases, tied up. And they're wondering how are they going to . . . how are they going to stock their grassland this spring? How are they going to pay for any increases to their cattle herd they would like to make?

And those are decisions that need to be made right now, in the next few weeks as a matter of fact. And there's a great deal of concern by cattle producers and those particularly associated with feeder co-ops, as to the resolution of this particular issue.

Now while this particular change, this piece of legislation, is not going to benefit those producers in the short-term, I certainly hope it will benefit them in the long-term. But because of the kinds of complications I have seen develop through the court rulings recently, I think it's important that some of these issues be addressed as quickly as possible. And I think this legislation will do, for the most part, what producers are hoping.

There are some questions though that I would pose to the minister in view of this piece of legislation, that he might want to consider for future opportunities when we get into committee and discuss this Bill more specifically.

One of the questions that producers are going to want to know is, will this particular piece of legislation increase the protection of registered owners of brands? I think that's a legitimate question and I think it's one that the minister needs to address.

The question I guess underlying that is, who really is the owner of the cattle? And as we've pointed out, this particular Act seems to address that but we want that absolutely clarified.

Is there a possibility of amendments to contracts, a schedule A or B form, to protect producers? Now the reason this question is important I suppose is because producers feel that they have been let down rather severely by the failure of the previous piece of legislation.

The question that the producers are asking is, how did we get

into this mess? You know, what happened? Why were circumstances allowed to develop where the courts could move in and make these kind of decisions and have these serious consequences as a result, for producers?

And one of the most specific questions that is being asked here is: why didn't the lawyers who were working for the Department of Agriculture when those forms were originally put together for the purchase of cattle, why didn't they foresee the possibility of this current situation arising?

Were they caught flat-footed? Was it just an oversight, an unintentional oversight? Or was there something less diligent about the work the department did in establishing those forms when the legislation was first put into effect and when the cattle feeder associations were first developed and the provincial government first undertook to finance them?

Frankly, producers are bewildered by this situation. And they want to know, why were the contracts that they signed, putting these cattle into their hands and their control, why were they not honoured ultimately, and why were the brands on the cattle not honoured?

If those kinds of questions can be addressed by this legislation, if producers can be assured of security with changes to the legislation, if they are going to be allowed the privilege of continuing their activities as cattle owners and ranchers, I think that these questions are going to have to be answered in a very clear and specific way.

Having made these comments, and without going further into a lot of detail, I think that it's necessary for us, as the official opposition, to get some of these questions answered on and off the record, and to talk to some of our producers and just see if the changes being recommended here are satisfactory to the individuals most affected, the ones who have their money tied up right now in court action and are facing financial hardship this spring with relationship to the expansion of their cattle operations.

So, Mr. Speaker, on that note, I would move that we adjourn debate.

Debate adjourned.

(15:45)

COMMITTEE OF FINANCE

General Revenue Fund Learning Vote 5

Subvote (LR01)

The Chair: — I would invite the Minister of Learning to introduce his officials and make any brief statements if he wishes.

Hon. Mr. Melenchuk: — Thank you very much, Mr. Chair. To my immediate right is Dr. Craig Dotson, the deputy minister of Learning. And to my immediate left is Ms. Lily Stonehouse,

assistant deputy minister of Learning. Right behind me is Ken Horsman, the associate deputy minister; as well as Wayne McElree, the assistant deputy minister.

Dr. Michael Littlewood is behind the bar, executive director, legislation and school administration. Dr. John Biss is also behind the bar, executive director, university services; and Mr. John McLaughlin, who's also behind the bar, executive director, Teachers' Superannuation Commission. Mr. Brady Salloum is also behind the bar, executive director, student financial assistance; as well as Mr. Don Sangster, who is executive director of school finance. Ms. Joy Campbell, also behind the bar, Provincial Librarian in our Provincial Library; and Mr. Cal Kirby, who's also behind the bar, director of facilities planning.

Ms. Frances Bast, who's just behind me to my right, director of corporate services, and Mr. Gord Sisson, director of corporate services just to my immediate left as well. Those are the officials.

And before we get into talking about the estimates for the Department of Learning, I just wanted to talk about some of the new mandate that has been given to this department as a new Department of Learning and my opportunity to appear before estimates as the first minister in the new Department of Learning.

Now, Mr. Chair, by bringing together the former Department of Education and most of the former Department of Post-Secondary Education and Skills Training, along with the Provincial Library, our public library system, and our early childhood development initiatives, the government really has created a flagship department that will help steer the course for Saskatchewan's future.

As such, the mandate of Saskatchewan Learning is to advance the social, economic, and personal well-being of Saskatchewan people, Mr. Chair. This shall be accomplished through leadership and support programs from early childhood development, through pre-kindergarten, through grade 12, to technical training and post-secondary education, as well as our public library services. So, Mr. Chair, we have a broad mandate from which to chart our course.

By remaining true to the principle of responsive leadership and with a keen eye to the future, I am confident this new department will satisfy the learning and development needs of Saskatchewan's children, youth, and adults. We will also be supporting the learning needs of our citizens by providing a high quality public library system where children, young people, and adults have access to tools that promote and encourage dynamic and transactional resource-based learning.

Now in order to build on our province's future, we must continue to support and nurture our most precious resource, Saskatchewan's youth. Our department's vision includes healthy and school ready children who are prepared to take full advantage of learning opportunities available to them.

The Kids First program will help prepare our youngest children to take that very important first step toward a life of learning. This spring, communities in northern Saskatchewan, and 17

communities throughout the remainder of the province, will begin to experience the benefits from the services brought to them through Kids First.

As the children and youth of our province continue their journey through the education system, they will be helped along by a department that is determined to provide a supportive, welcoming, and resource-rich learning environment.

Now our past successes, Mr. Chair, in meeting the diverse needs of students can be measured in part by the number of community schools which doubled last year and expanded to rural communities and high schools.

The School^{PLUS} model builds on the success of community schools by developing further the connection between human services, schools, and their communities. Being responsive to the needs of Saskatchewan's diverse population of young learners has advanced programs such as distance education opportunities and CommunityNet, which is bringing high-speed Internet to schools throughout the province, Mr. Chair; resource-based learning which allows curriculum to be more responsive to the learning needs of students; and agreements between school divisions and First Nations that gives the Aboriginal communities more meaningful participation in the administration and management of schools.

These are just a few examples, Mr. Chair, of the innovative ideas and approaches that have been undertaken by the former Department of Education that will continue to help steer our course into the future.

For the young people who choose to continue a path of learning after high school, we have a high quality post-secondary education and skills training sector, which supports a variety of learning needs.

To enhance this sector over the coming years, Saskatchewan Learning is committed to working in partnership with our universities and federated colleges, introducing important programs such as Campus Saskatchewan, and supporting technology-enhanced learning; expanding learning opportunities in health professions, including the northern nursing access program in P.A. (Prince Albert) and increased enrolments at the College of Medicine in Saskatoon; providing support to the new and independent apprenticeship commission; and working with Aboriginal people to ensure that they access and are successful in the post-secondary system throughout the . . . through the Aboriginal Education and Training Action Plan.

And for all Saskatchewan learners, this year budget saw a significant increase for the improvement of education facilities. Post-secondary institutions will have access to almost \$50 million — up from the 30 million last year to upgrade and enhance facilities.

Capital funding for K to 12 schools will increase from over 24 million last year to 40 million this year and . . . plus an additional 10 million will come from the province's Centenary Capital Fund.

In all, the province of Saskatchewan has demonstrated its commitment to education with these marked increases for

facilities as well as the overall \$1.2 billion investment in education and skills training.

Saskatchewan Learning has a broad mandate, but a direction that could not be more clear, Mr. Chair — following the needs of the province's young people as they follow a path of lifelong learning.

I note four thematic threads that bring together our new department. Saskatchewan Learning must (1) meet the learning needs of our Aboriginal population; (2) fully exploit the opportunities of learning technologies; (3) strengthen communities; and, (4) serve the needs of a sparse and disparate population.

We must build an education system where the knowledge and learning acquired by young minds provides them with valuable tools that help them to succeed to the best of their ability as productive, responsible, and socially conscious citizens.

We must provide our young people with the promise of a future rich in opportunities and expansive in scope here in their home province, Mr. Chair. The future of Saskatchewan depends on our ability to secure the hearts and minds of our youth by continuing to build a vibrant, healthy, prosperous, free, and democratic society.

Premier Calvert and our government have assigned to the new Department of Learning a broad vision, a broad mandate, and a broad scope of responsibilities. However we have a clearly delineated path, Mr. Chair, that follows the learning needs of Saskatchewan's young people from conception through adulthood.

Undaunted by the scope of our responsibilities that lie ahead, we must build on past successes and future opportunities that will support the future of Saskatchewan's youth, because we are indeed building on the future of our fine province.

It is my privilege and honour to be a participant on this most important and worthwhile journey. And I thank all of the members of the Assembly for their time and attention in my description of the broad mandate and challenges that face our new Department of Learning, and I look forward to the questions from the members opposite.

Ms. Draude: — Thank you, Mr. Chair. And welcome, Mr. Minister, and welcome to your officials.

I'm very pleased to be here today to discuss probably what I consider — and I believe what the minister considers as well — to be one of the most important or if not the most important department of government.

I've listened to the . . . for the second year in a row to a prepared speech about your department and the number of great initiatives that you have, and I agree that it is a flagship department. But what the minister failed to talk about was the fact that the government has not put the money in it's going to really require to fund this department.

I know I'm not standing alone when I talk about that. The school divisions, the SSTA (Saskatchewan School Trustees

Association) and the STF (Saskatchewan Teachers' Federation) have talked about it.

The idea of an umbrella for learning is a good idea. The idea of bringing municipal government in is also a good idea — municipal libraries, pardon me — is a good idea in my estimation; and also the idea of early childhood development because if we're going to have cradle-to-grave learning, we have to have all these departments working together. It also implies that we're really going to be looking at the role of the School^{PLUS} and the fact that we have to integrate services.

So many of these ideas are great ideas, Mr. Minister, but the problem is the same thing that we've been looking at since 1991 is that this department is not funded.

In your Throne Speech, the Finance minister indicated that:

Quality education is a third pillar in the government's action plan to expand Saskatchewan's economy.

That was in the Throne Speech. And in the budget speech, the day . . . we have the remarks from a number of people that are involved on a day-to-day basis with education, starting with the School Trustees Association. The first line in their newsletter says:

The provincial government's 2002 budget sent a clear message to school boards — that it *didn't have* a message for school boards.

SSTA was asking for \$25 million to cover the known increases such as existing teachers contracts that expire at the end of August. Instead they were given \$14 million which doesn't even provide for the status quo.

Mr. Minister, Mr. Nikolejsin also indicated that on budget day the government had boasted providing \$1.2 billion in education — an increase of \$78.6 million. The \$1.2 billion combined the two previous departments of Education and early childhood development. The budget provided \$477.6 million to school boards, which was an increase of 10.8 million over last year's fiscal year, or 14.2 million over the calendar year.

Out of that 14.2 million, over 6.5 million of that was for new programs. So there is only \$8 million actually allocated for cost increases. Remembering, Mr. Minister, we needed 25 million and we were only given \$8 million for the cost increases.

And the 2002 cost increases for teachers' salaries has also not been looked at in this budget.

Mr. Minister, it's not just the SSTA. The STF also had a comment about your budget. They've said that:

"This budget . . . (would) not allow the school system to meet all the expectations," (said) . . . President Wayne Clements . . .

And:

". . . (the) budget may jeopardize the ability to meet . . . (expenditures) or support initiatives."

Mr. Minister, the biggest disappointment with this . . . your idea of the Learning department was the money that was put into it. And if it's truly, truly an important issue for your government, the funding should have been there.

Mr. Minister, how can you . . . what are you going to say to the school divisions when they come to you and say, are we going to cut programs, are we going to fire teachers, are we going to close schools, or are we going to raise taxes? Are you going to say, do all four? What's your answer going to be?

Hon. Mr. Melnychuk: — Well thank you, Mr. Chair. Certainly when we look at the history of funding for the Department of Education and the Department of Post-Secondary Education and Skills Training, and even our early childhood development and public libraries now which are all included within the Department of Learning, we look at last year's budget for K to 12 education — and most of her comments were related to K to 12 — when we talk about the increases last year and we factor in the increases the year before and we factor in this year's increases, you know, we're looking at over 20 per cent, in that short time frame, increase in our foundation operating grant.

When we talk about the reality of the circumstances with this particular budget and the overall expenditures of government really flat, that means that some other departments suffered cuts in this budget. The Department of Learning is one of the departments that received increases, that received increases pretty much across the board, and that we are able to fulfill our mandate.

But I need to remind the member opposite that the funding for a K to 12 system is a shared responsibility, that the provincial government which — and this has been confirmed by the recent Supreme Court ruling in Alberta — is the . . . has the responsibility for education in the province of Saskatchewan. They have the responsibility for overseeing the funding of education.

And what the provincial government in Saskatchewan has done, and has done since the existence of this province, is they have delegated the authority for decision making to local school divisions and school boards and have also allowed those school boards to access the property tax base. This is not the case in many other jurisdictions in Canada, Mr. Chair.

So we have a situation where we strongly believe in local autonomy. But we also recognize that there's a shared responsibility for the funding for our K to 12 system. And we can talk about the pressures on the property tax base, and we can talk about what other jurisdictions have done in terms of having social services or health care or other human services that would come off the property tax base. But in this province we really have education and municipal that have really unfettered access to that property tax base.

When we talk about the increases that we've done, the 20 . . . over 20 per cent on the foundation operating grant in the last three budgets — that far exceeds the rate of inflation.

When we talk about services that are being provided to students in the province of Saskatchewan, we find that the per student expenditure is above provincial averages. We find that we have

equitable opportunity throughout the province of Saskatchewan because we have a foundation operating grant that is endorsed by all of the stakeholders, including the School Trustees Association, including the Saskatchewan Teachers' Federation, LEADS (League of Educational Administrators, Directors and Superintendents), and SASBO (Saskatchewan Association of School Business Officials).

And what they have said is that they believe that the principles of the foundation operating grant and the fact that it is an equalization formula is the right way to go. And the External Reference Committee constantly reviews our parameters within our grant and have agreed with those parameters.

So, Mr. Chair, when we talk about our shared responsibility and we talk about the support that this government has provided to the K to 12 education sector, it has been impressive.

We also recognize that we provide that grant on an equalization basis so that the local school board has an opportunity to look at its revenues and expenditures, to look at their own budgets, to prioritize within their own budgets; and then it's our responsibility to make sure that school divisions who have less ability to raise local revenue are given more grant dollars, and school divisions that have a large opportunity to raise dollars are given less grant dollars. And that's why it is an equalization formula.

But if we look at the basic principle, that the foundation operating grant is fair and transparent and that we are providing equitable opportunities for students no matter where they live in the province of Saskatchewan, I believe that we have a very good system.

Now I remind the member opposite as well that in the '99 campaign for the Saskatchewan Party, and I'll remind the people who may be listening or viewing today, that they pledged to freeze spending on education. And when you freeze spending on education and you freeze it at 1999 dollars or you freeze it to the rate of inflation, then what you have done is you have either cut services or you have off-loaded to the local property tax base because the components come from two separate sources.

It's a shared responsibility, and this government has done a lot in terms of the competing priorities to make sure that education is one of the priorities, one of the most significant priorities of government.

And the member asks, well what should I tell school boards? I would tell school boards what we tell them every year — that they are given the mandate, that they have the responsibility to provide quality education, but they also have the independence to make those decisions based on what's best for the children and students in their communities. So we accept that reality. We do what we can as a provincial government and I think we have done a very good job in providing funds to school divisions in the last three years, Mr. Chair.

Ms. Draude: — Mr. Chair, and Mr. Minister, the people that have done a very good job in providing services to the children of this province is not the Department of Education, it's the school boards and the school trustees and the teachers that are

working hours and hours and hours to, not only trying to provide the services, but find the dollars.

Mr. Minister, you talked about this not sharing responsibility. No, you don't share the responsibility. You've been downloading your responsibility and you did it again this year.

The equalization factor went from 16.25 per cent to 17 per cent, which means you believe that there is more money out there in the hands of property tax owners to pay for more of the cost of education in this province. That's exactly what it means. Every time you increase that assessment or that rate it means that property tax owners are going to pay more.

Mr. Minister, we have . . . I guess if you don't pay more, what it means is that they're going to cut programs, they're going to cut teachers, or they're going to close schools. Something has to happen. You cannot provide the same services with less money than they got last year.

Mr. Minister, does that mean that you believe property tax owners in this province can bear more of the cost of education than they could last year? And that's exactly what's happening because of your budget.

Hon. Mr. Melenchuk: — Well thank you, Mr. Chair. When we talk about shared responsibility and we talk about local autonomy, obviously in this province we respect school divisions and their ability to access the local tax base and also to make decisions on service delivery.

But we can look to our neighbour to the immediate west, Alberta, and what have they done? They no longer allow their school divisions to access the property tax base. They basically provide a provincial levy. They collect the dollars from the property tax base, and then they provide it on a grant basis to their school divisions.

Now I'm not saying that that's what we should be doing in the province of Saskatchewan; in fact, I don't think we should be doing that.

But when you have a shared responsibility that means a shared responsibility. And that means that school divisions as well as the Department of Learning look at the overall system in terms of providing equitable experiences for students throughout this province.

School divisions have challenges, school divisions make decisions based on the parameters that are before them. And whether that's consolidation or whether it's looking at their mill rate, or whether it looks at the types of services they would like to provide, well we can say they're allowed to make those decisions and we support them in their decision-making capacity.

But I must remind the member opposite that when she referred to the 16.5 to 17 per cent, I think what she was referring to was our equalization factor . . . which the provincial equalization factor has gone up from 16.5 to 17 mills.

And what this is is indeed an equalization factor. What it does is it provides for distribution of the grant dollars preferentially to

boards of education who have less ability to garner revenue from their local property tax base.

Now the provincial average, the provincial average in terms of mill rates, is 18.1. And we have been advised by our stakeholders on the External Reference Committee, including the School Trustees Association, including the Saskatchewan Teachers' Federation and LEADS and SASBO, that our equalization factor should be as close as possible to the provincial average mill rate. So we have done that because it improves the equity of the grant.

And if they dispute that, then I would ask them to take up their challenge with the members of the External Reference Committee, including the School Trustees Association, and the Saskatchewan Teachers' Federation, and our League of Education Administrators and Directors, as well as our school business officials. Because we do support our relationships with our stakeholders and we listen to our stakeholders in determining how we apply our grant each year, Mr. Chair.

Ms. Draude: — Mr. Chair, Mr. Minister. I'd like you to clarify that the actual change in the mill rate was from 16 to 17 per cent. I'd indicated 16.25, you just said 16.5, so maybe for any of our viewing audience who are really interested in this number, maybe you could clarify that?

And please tell the people in the Assembly and any of those that are interested, what that change of that 1 mill will actually mean to the taxpayers of this province. How many dollars does that mean that property tax owners will now be picking up because of that 1 per cent change in equalization factor?

Hon. Mr. Melenchuk: — Mr. Chair, with regard to the increase of the provincial mill rate or equalization factor within the foundation operating grant, this is a formula-driven grant structure.

And it doesn't mean that there is any change in the dollars available to the system. What it says is that, of those global dollars, when you increase that particular factor to 17 mills — which is one one-thousandth — that that then applies the grant preferentially to boards who are . . . would be considered poorer boards of education — in other words, their ability to access dollars from their property tax base.

If you are a board of education who has an assessment per student that is very high, well above the provincial average, then by changing that equalization factor doesn't mean that there's more or less dollars available. The dollars available would . . . will be available, but what it means is that a high assessment school division would get less grant dollars and a low assessment school division would get more grant dollars.

So it improves the equity and the equalization of the grant. And the perfect scenario would be if this equalization factor applied on the foundation operating grant was exactly the same as the provincial average mill rate because then the equalization and equity index would be 100 per cent.

And we have been told by our External Reference Committee and our School Trustees Association that we should try and keep that equalization factor as close as possible to the

provincial average mill rate, Mr. Chair.

Ms. Draude: — Mr. Minister, I have asked two questions — direct questions — and I haven't received an answer to either one of them.

The first one was the . . . your question on do you believe the property tax owners should be picking up more of this . . . of the cost of education?

And the last one, the last question I asked you, is the increase in equalization factor of 1 mill — what kind . . . what is the local revenues? What kind of a difference is that going to make, downloading your responsibility? How much money is 1 mill change make in the dollar figures for local school boards?

Hon. Mr. Melenchuk: — Mr. Chair, I know that the foundation operating grant is sometimes referred to as FOG. And we recognize that when you're dealing with a grant structure that has multiple parameters built into it and you can talk about the equalization factor . . . But I think the member opposite does not realize or recognize that this mill rate, this so-called equalization factor, is not a provincially levied mill rate. There's no dollars that come into the provincial government because of that change.

What it does is it's . . . it allows the grant structure to be such that a poor school division will get more dollars than a rich school division. And that is the reality of Saskatchewan today and that was the reality of Alberta some time ago when the . . . Well the member opposite when he asks a question and then he yells at me when I'm trying to give the answer . . . well I'll give him the answer. I'll give him the answer, and I've given him the answer already, Mr. Chair.

And what the answer, what the answer is, is that by increasing the equalization factor does . . . has no effect on boards of education to independently determine their own mill rates. What at . . . the effect that it has, Mr. Chair, is that a school division like Kamsack, which is a low assessment board, will get less . . . will get more dollars and will have to access their property tax less. So when we increase the equalization factor to 17, that means that a school division like Kamsack will get more dollar . . .

The Chair: — Order. Order. I'm having a . . . Order. I'm having difficulty hearing the minister. We have much time today, we . . . Each member will have their chance.

Hon. Mr. Melenchuk: — You know, it's amazing to me that the member who used to be a president of the School Trustees Association from Canora-Pelly can yell from his chair when he knows full well the explanation — when he knows full well, because he has dealt with these issues over and over again.

So, Mr. Chair, I have told . . . I have said, and I'm sure there are people out there who understand that what the equalization factor means on a provincial basis is that a school division like Kamsack or Ile-a-la-Crosse that does not have a lot of assessment gets more dollars. And a school division like Weyburn Central, which has close to \$1 million of assessment per student and more oil wells than students, does not get any grant dollars, because guess what? They already have access to

revenue streams that are far in excess of other school divisions.

And that's why the foundation operating grant is an equalization formula, Mr. Chair.

(16:15)

Ms. Draude: — Mr. Chair, Mr. Minister. Mr. Minister, transferring . . . you transfer 1 mill to the local tax base. It's going to mean \$37 million more that's going to have to be picked up by local property tax owners.

I'm going to give you two examples. Rosetown School Division says an increase in equalization factor does indicate that this provincial government believes the ratepayers can afford to pay more.

Tisdale School Division says the equalization factor increasing to 17 mills means the government assumes we can increase our local revenues by \$50,000 this year.

Mr. Minister, will you please indicate that if the amount that's transferred by 1 mill change is not \$37 million, please tell me what that amount is?

Hon. Mr. Melenchuk: — Mr. Chair, there is no dollar number assigned to a 1 mill or a 2 mill, or whatever. If the provincial formula was . . . had its equalization mill rate dropped by three points, it wouldn't make any difference to the global number of dollars available in the grant. The global number of dollars in the grant are what we see before us in these estimates.

But what it does do is it says that school divisions who have less capacity to raise revenue will get more grant dollars by increasing the equalization factor. And that is considered the ideal and is endorsed by all of the stakeholders within the education system in K to 12.

Ms. Draude: — Mr. Chair, Mr. Minister. Last year, I believe there was 11 zero-grant boards in this province, and this year I believe that the number is going to be 17. I can . . . I'll ask you to verify that before I ask you the further question.

Hon. Mr. Melenchuk: — Mr. Chair, there were 14 zero-grant boards last year, and there will be 17 zero-grant boards this year. And this is an issue, and I'm glad that the member from Kelvington-Wadena has brought this issue up again.

This is an issue that was highlighted approximately a year-and-a-half ago when I went to the School Trustees Association, and again, in the most recent annual meeting. We are concerned about the equity of the grant because of the earning capacity that we're seeing now between areas of development and areas where development hasn't occurred as quickly.

The ideal scenario, in terms of grant structure, would be if all boards of education received some grant dollars. To reverse the trend to allow for all boards of education to receive grant dollars would require a significant change in how the funding of K to 12 education occurs. And we're looking at probably in the neighbour of 2 to \$300 million to increase the ratio from that 60/40 to . . . or the 40/60 to 60/40.

The question arises is, and what the question we had given to the School Trustees Association and others is, the challenge is: how can we design a system that is . . . that deals with this equity issue in capacity on revenue streams? And proposals have gone out and they've asked for feedback. We haven't come up with any solutions.

But the concern that I have is that we have 17 boards of education that access 100 per cent of their tax base because they have more assessment than their neighbouring school divisions. And the question arises is, when other provinces were faced with this, like in Alberta where there was a significant difference between assessment on the east side of the province and the west side of the province, they said what we will do is take away the taxing authority of school divisions and we will levy a provincial mill rate and then we can provide an equitable distribution as 100 per cent of the grant.

I don't think that's a good way of dealing with local autonomy and decision making, Mr. Chair, but we still have not come up with a solution. But we do have the challenge out there and we are looking at solutions. But the current circumstance is that we had 14 zero-grant boards last year, and we'll have approximately 17 zero-grant boards this year, Mr. Chair.

Ms. Draude: — Mr. Chair, Mr. Minister, the minister on a couple of occasions in the last 20 minutes has been very political about why he's . . . what's his concerns are. I would think the political reality is that now that your government has 20 per cent of their boards that don't get any money from the government, they're wondering why they should even be listening to the Minister of Learning anymore.

Mr. Minister, the assessment . . . assessment rich, means that you have . . . assessment rich does not mean, Mr. Minister, that people like farmers have cash in their pocket. As soon as you raise the assessment that means that their land or their property's got a higher value. But it does not mean that there's money in the pocket. We know that from a few years ago when there was tax revolt meetings rallied around this province.

And the zero-grant boards that I'm talking to right now are saying, you know, just because the assessment is high in my area, does not mean that my ratepayers have cash in their pocket. So expecting them to pay for the full cost of education is not equalization of . . . or equal opportunity right across this province.

Mr. Minister, you indicated that there's 17 boards will receive no money from the government this year. Tell me, how many boards will receive less money than they did last year from the government with this new budget?

Hon. Mr. Melnychuk: — Mr. Chair, with regard to zero-grant boards, I think that anyone who might be listening or viewing should recognize that these zero-grant boards that don't get any dollars from the foundation operating grants are having assessments per student that are very high, and they are able to run mill rates that are considerably lower than their neighbours.

So the question of having a competitive advantage or even — on the mill rate side — but also the opportunity to run average mill rates and have additional dollars to put into services is also

there, Mr. Chair.

With regard to the . . . this current year, as in past years, I would suspect that with the increases we have provided to the foundation operating grant on the calendar year basis — which I think is just a little bit above 3 per cent — that we'll see about half of the boards have increases in their grant and about half of the boards will see decreases in their grant.

Ms. Draude: — Mr. Minister, then are the . . . there's, I believe, 99 school divisions in the province at this time. We'll get into the . . . your . . . the discussion about amalgamation at another day. But 20 . . . or 17 school divisions get no money; half of them are going to get more . . . less money than last year. So that means that a considerable number of these school divisions are going to be getting a lot more money from your government this year.

Have you got letters . . . Can you give me some indication of which school divisions are going to be getting this increase in revenues from your government because of this budget?

Hon. Mr. Melnychuk: — I can actually provide the complete list to the member opposite if she wants that.

But what I could do is, if we talk about particular boards of education that received additional dollars, some of them were significant. Any board of education that saw an enrolment increase is likely to have gotten increased grant dollars as well.

But if we look, for example, Saskatoon Public, Meadow Lake, Moose Jaw, these are boards of education that received additional grant dollars this year.

Mr. Krawetz: — Mr. Deputy Chair, and Minister. Since, Mr. Minister, you mentioned my name in discussions today, I would like you to clarify a couple of things even though I was not going to be involved in debate today.

Mr. Minister, I've received a number of grant estimate forms from school divisions that have been sent right across the province, and I want to ask this question, Mr. Minister. When we look at the recognized expenditures, which basically make up the left column — and I'm sure your officials are very . . . will assist you in explaining what the left column is referred to — and then we look at the right column, Mr. Minister, the right column is where you'd, as a government, determine what the local taxpayer will contribute.

And, Mr. Minister, I have in my hands a number of copies of school board grant formulas that say that the local revenue that is expected to be contributed by the school division in question is now changed from 16 to 17 mills. You've agreed with that.

In this case, Mr. Minister, the assessment is identical from this year to last year. By the changes that are identified here, Mr. Minister, could you explain why this school division now is expected to contribute from the local revenue \$280,000 more as a result of the mill rate change from 16 to 17?

Hon. Mr. Melnychuk: — Mr. Chair, I don't know which particular school division he's referring to but in terms of the left column/right column, this is information that is provided to

each school division on budget day and shortly thereafter.

And what the . . . what it does is it explains in terms of the grant distribution the formula in terms of how those dollars are applied. So the recognized expenditures on one side is a formula-driven item. The anticipated revenues on the right side are not actual revenues — they are formula revenues as well. So when you look at what the anticipated revenues would be, the equalization factor is sensitive to that as, indeed, the enrolment would be as well.

When you look at the recognized expenditures on the left column — and this is a lot of detail — but what the reality is, that no matter what those formula-driven items are before those boards of education, it doesn't change the impact of the global dollars that we are talking about in the estimates here today. And if that equalization factor, that provincial mill rate, that equalization factor would go down three or up two or whatever, it wouldn't make any difference to the global dollars that we're talking about in the estimates today.

Mr. Krawetz: — Mr. Minister, obviously you would know then that the school division I'm talking about has an assessment of 280 million since it produces 1 mill of \$280,000. And I have another one that has 200 million and I have a larger one.

So, Mr. Minister, if I was to take all school divisions, every one of the grant forms from all school divisions, and if I was to add the numbers up, where you have indicated that the local revenue that has to be now raised at the local level is determined by assessment and equalization factor — and you're right, it's not all of the cost, it's only part of the cost — if I was to take every one of those school divisions and add that up, back to the question that my colleague asked you, that number total of this year assessment times 17 mills versus last year's assessment times 16 mills, what is the difference in those two numbers for all the school divisions of the province?

(16:30)

Hon. Mr. Melenchuk: — Mr. Chair, I'm sure the member opposite has heard the explanation with regard to the grant in terms of $A - B = C$. We have recognized revenues; we have recognized expenditures — both formula driven. And if you change the numbers on one side, you almost . . . you have to make the corresponding change on the other side. Otherwise you throw out all of the principals of the foundation operating grant.

But the reality is that you can talk about the detail; you can talk about urban transportation, sparsity factors, special education — all of the factors that go into the foundation operating grant — but guess what? Guess what? The reality of the day is that it doesn't have any difference in terms of the dollars.

And the reality is that when you increase the recognized expenditure and you adjust the 17, then what you are doing is you are providing more grant dollars to boards of education who are poor, and boards of education who are richer, get less tax dollars. And it's formula driven and the adjustments can be made.

But every single one of the stakeholders, including the School Trustees Association, including the Saskatchewan Teachers' Federation agree with this foundation operating grant formula. And they've agreed with it for some time. And the most recent external reference committee said, this is the best way of providing dollars on the grant basis.

Mr. Krawetz: — Mr. Chairman, to the minister. Mr. Minister, I'll simplify the question. Could you tell me what the assessment of the province of Saskatchewan is, and thus tell me what 1 mill of taxation will produce if it is applied to that assessment?

Hon. Mr. Melenchuk: — Mr. Chair, I will try and give a simple answer to a very complicated foundation operating grant.

The overall assessment of the province of Saskatchewan is 37 billion. And using their simplistic logic, that would mean 1 mill would be 37 million. But if that's the case, if that's the case, this is all formula driven and it has nothing to do with the \$1.2 billion that are being provided in this estimates. All it does is talk about what is the equalization factor. That's all it means. That's all it means.

Mr. Krawetz: — Thank you, Mr. Minister. We have now determined that, approximately, based on, I believe, your comment that it was one one-thousandth, therefore \$37 billion worth of assessment produces on average \$37 million worth of tax revenue. We've already . . . We thank you for that assurance.

Mr. Minister, you mentioned $A + B = C$. And in deriving how the amount of money is allocated, is it not true that really you start with C and work backwards and thus determine A and B . Could you clarify that?

Hon. Mr. Melenchuk: — Well the member opposite would know full well the answer because he was involved with the School Trustees Association. That is exactly the way it works. The amount of grant dollars available is C . And then the recognized revenues and recognized expenditures provide the A to B .

But the school divisions can determine their mill rates in real dollars, and they can determine their assessment in real dollars, and all this is, is to provide a formula which, I remind the members opposite, everyone agrees with except them, it seems. And if they have a dispute with regard to the foundation operating grant, perhaps they would like to clarify what they think should be done differently with the foundation operating grant.

Mr. Krawetz: — Thank you, Mr. Minister. Mr. Minister, we're just trying to get an explanation so that people in Saskatchewan better understand the formula. And while I understand that you understand the formula and your officials who are assisting you understand, there are people in the province who I'm sure today are watching this questioning and are wondering what is the foundation grant formula, first of all. They don't know, okay. And I'm sure that you can respect that, Mr. Minister.

So let's try to clarify for the people of Saskatchewan what you

just said. You said that we will start with the grant, which in this case you have explained in the budget, I believe, that there is an \$11 million increase this year for that component that we'll call C in our equation — it's about \$11 million higher.

Could you tell us for the purposes of better understanding, you referred to A and B — A being the recognized expenditures which we know full well are not at the actual expenditures, and then you talk about revenue. Could you indicate how the recognized expenditures this year versus last year have changed? What are the actual dollar figures for the entire province? I'm not just dealing with one single school division — all school divisions. What was the amount of recognized expenditure last year versus the recognized expenditure that you have just distributed through the formula?

Hon. Mr. Melnychuk: — Well, Mr. Chair, it's obvious that the member opposite does understand the foundation operating grant. The total recognized operating expenditures for '01-02 was \$1.082 billion, and the '02-03 estimated operating . . . or recognized expenditures is 1.107. So a difference of approximately — what would that be — 25 million? Yes.

Mr. Krawetz: — Thank you, Mr. Minister. Yes, that is a difference of 25 million. Could you now indicate the '01-02 revenues that were used in the distribution of the grant formula, and the '02-03 revenue numbers.

Hon. Mr. Melnychuk: — Yes. Mr. Chair, when we look at the recognized revenue side, that has increased 32 million. But the reason that there's a difference is because there is no calculation for negative grant. They're considered zero grant; there's no calculation for negative-grant boards.

Mr. Krawetz: — Mr. Minister, could you give me the numbers for the revenue side for last year and this year, please.

Hon. Mr. Melnychuk: — Mr. Chair, the recognized revenue for '01-02 was 597,637 and the recognized revenue for '02-03 is 629,137,015. So 597 million versus 629 million, with the revenue equalization factor in '01-02 at 16, and the revenue equalization factor in '02-03 at 17.

Mr. Krawetz: — So, Mr. Minister, if we go back to your number that said . . . I think you used the number of \$32 million. You've indicated that that is the amount of revenue that is now that much higher this year over last year, recognized revenue.

If indeed you are indicating that C, the actual grant, has grown by 11 million, how do you expect that the difference of actual recognized revenue increase of 32 million and the fact that the government has only contributed \$11 million to the final grant total . . . Who will make up that difference?

Hon. Mr. Melnychuk: — Mr. Chair, this is kind of like splitting hairs and it is a complicated topic. But the keyword here is recognized expenditures, recognized revenues, and the fact that the grant is distributional. It's an equalization formula — it's a formula.

And if you adjust the equalization factor . . . And I think that the member opposite would recognize that that particular

revenue-equalization factor which is 17 mills is called the equalization factor. And when you increase that number closer to the provincial average, which is in the 18-point-something range, that you actually improve the equity of the distribution of the grant.

And the reality is that these are factors that have been debated by stakeholders for some time and they all agree with the grant formula. And if he wants to . . . or the members opposite disagree with the formula, then I would ask them to mount their arguments, because we haven't heard any arguments in terms of whether the foundation operating grant is the best way to distribute provincial dollars to school boards or whether there's a better way.

Mr. Krawetz: — Thank you, Mr. Minister. One more question, Mr. Minister. If I would look at a school division whose enrolment from the previous year, that was used to determine last year's grant allocation, remained exactly the same as this year's — let's pick a number of 2,400 students; 2,400 students last year, 2,400 students this year — would the foundation grant that is now being allocated to that school division, would that be identical to last year? Would it be more than last year or would it be less, since the enrolment has absolutely remained the same number?

Hon. Mr. Melnychuk: — That's . . . enrolment is one piece, that's the . . . with regard to the sensitivity of the grant. If the enrolment was the same and the assessment was the same, then they would get more dollars this year.

Ms. Draude: — Thank you, Mr. Chairman, to the minister. The other question that we had and the Minister of Finance discussed it with our critic of Finance earlier during interim supply and the . . . one of the pillars of your Learning department's discussion and budget was the education infrastructure corporation and the spending that was, that was brought forward.

The Minister of Finance said that he was not opposed to going into debt to finance education, to build university buildings, and to build schools. In fact, I'm going to quote the Minister of Finance. He said:

. . . it's okay to borrow some money to build schools and to build university buildings when you don't have the money to finance it on a cash basis.

Then he says the Saskatchewan Party is opposed to borrowing money to build these schools; we are simply opposed to building schools and providing quality education.

Well, Mr. Chair, I think the Minister of Finance has the issue confused. We're not opposed to providing quality education for the children of Saskatchewan. What we're opposed to is this government mismanaging the money of this province.

We're opposed to them spending precious taxpayers' dollars on things like SPUDCO and the automated land transfer system and a software system that could have been purchased on a shelf.

Mr. Minister, the government throws away million of

taxpayers' dollars. On the other hand, they are saying that we're going to incur \$90 million of debt because basically what this government is doing is wasting taxpayers' dollars.

But we all know, the people of this province know, that this budget means that we're going to be borrowing money for capital expenditures for education.

I'm going to ask the Minister of Education: how does this government plan to pay back the \$90 million loan for education infrastructure? How . . . (inaudible) . . . you plan to pay back the capital funding, the capital expenditures?

Hon. Mr. Melenchuk: — Mr. Chair, as the member will know, in the estimates there is an appropriated amount within the General Revenue Fund that covers the principal and interest with regard to the dollars that will be borrowed by the Education Infrastructure Financing Corporation.

Ms. Draude: — Mr. Chairman, are the school divisions going to end up paying for 100 per cent of the capital costs?

(16:45)

Hon. Mr. Melenchuk: — Mr. Chair, the current rules with regard to how capital is allocated will not change and whatever the proportion that a school division would have been responsible for last year or the year before will be the same. That doesn't change.

The dollars that will be provided through the Education Infrastructure Financing Corporation will be covering whatever the provincial component would have been for that capital project.

Ms. Draude: — Mr. Chairman, the Minister of Finance said, and I quote:

(School divisions) . . . will be financing the portion that they have been doing up until now as they always have, (been) . . . and they also will be financing the other portion, but they'll be doing that with the support of the Education Infrastructure Corporation.

Can the Minister of Learning tell the members of this Assembly specifically what kind of support the Education Infrastructure Corporation will be giving school divisions?

Hon. Mr. Melenchuk: — What it means, Mr. Chair, is that through the Education Infrastructure Financing Corporation, the principal and interest will be covered by the provincial government. And of course, as the member indicated earlier, that also the debt incurred is a liability of the province. It's not a liability of school divisions.

Mr. Hart: — Thank you, Mr. Chair. I find the minister's answer to the last question rather interesting in light of some of the answers we received the other evening from the Minister of Finance. I'd like to just go back and review the process and ask the minister to clarify the process for me.

I understand in the past, Mr. Minister, that school boards when they had a capital project, they were required to come up with a

certain percentage of the financing of that project through their own resources, their own revenues, and then the remainder was funded by the Department of Education.

Now according to what the Minister of Finance told us the other evening is that the process will be changed somewhat. The school divisions will still . . . if they've got a capital project now under the new structure, they'll still have to come up with a percentage of the total cost through their own resources. Then the monies that they would have received in the past under the Department of Education, under your new structure, they now have to go and borrow from this new Crown corporation that they've set up. Is that how it's going to work, Mr. Minister?

Hon. Mr. Melenchuk: — Well basically, that's correct. What happens under the new structure is that the proportion for a capital project, Mr. Chair . . . for example, if the provincial government's component was 62 per cent and the school division would have required 38 per cent on last year's project, well those numbers are the same. But what the provincial government will do is, with the 62 per cent, is guarantee the debt, will accept the liability, and will provide the principal and interest to manage that debt through the general appropriation.

Mr. Hart: — So, Mr. Minister, what you're saying is that . . . or is this what you're saying, is that the boards of education will be borrowing the additional 62 per cent that you indicated, or whatever that percentage is, from this new corporation and they will be required to make those payments back to that corporation? Is that what you're saying? That it would be the school boards that will accept the liability for repayment of these new loans that they'll be asked to acquire under your new structure?

Hon. Mr. Melenchuk: — Basically what happens is that the school boards will borrow the dollars from the Education Infrastructure Financing Corporation. They will pay the principal and interest to the Education Infrastructure Financing Corporation, and the Department of Learning will pay the school board the exact amount of principal and interest to pay for the loan that they received.

Mr. Hart: — Thank you, Mr. Minister, for the explanation. So what you're saying is that the school boards will be responsible for making the payments back to this new corporation, correct?

Now, and you've also said that the Department of Learning will be giving them the money to make those payments. Okay. Now are you prepared to enter into a written agreement guaranteeing that those school boards will have those additional funds over and above their operating grants to make those capital payments?

Hon. Mr. Melenchuk: — Well I think the answer is that it's in the budget. That's why we have that as a line item in terms of our appropriation within the Department of Learning. So the numbers are there.

And if they look at last year's capital allocation at 24.7 million, they'll notice that there's been a significant decrease on that line item this year. Well that line item now applies to the principal and interest requirements to support the debt for those capital projects.

So what it means, Mr. Chair, is that the provincial government is responsible for the liability. It is debt incurred by the provincial government, but we're also providing the dollars to meet the needs of supporting that debt through principal and interest payments.

Mr. Hart: — So, Mr. Minister, you may have a line item in your budget but you . . . are you going to enter into a written agreement with the various boards of education that will be responsible now, will be taking on additional debt?

I mean your government has in the past has had line items for . . . to pay for certain services to other local governments and the following year that line item disappeared.

So what I'm asking you today is, are you prepared to enter into a written agreement, a binding legal document, that those additional dollars will be there for those . . . for the school boards?

Hon. Mr. Melenchuk: — Mr. Chair. Every time there's a project between the provincial government and a school division on a capital project there is a written agreement.

And I can categorically say that the commitment of this government is 100 per cent to financing their proportion of that capital allocation and that they will be entering into writing each one these agreements because this is a process that we follow. So the process isn't going to change.

And guess what? We've got \$40 million as opposed to 24 million from last year. We've got \$50 million on the post-secondary as opposed to 30 million last year. And those dollars will be building schools. And they're real dollars. And our commitment is real. And they will be building facilities all across this province including, including rural Saskatchewan, including northern Saskatchewan, including our university campuses, and including the fine cities of Saskatoon and Regina, Mr. Chair.

The committee reported progress.

The Assembly adjourned at 16:55.