

The Assembly met at 13:30.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. I rise to present a petition on behalf of residents of northeast Saskatchewan who are concerned about the condition of Highway No. 23, west from Junction 9 to the town of Weekes. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take immediate action and make necessary repairs to Highway 23 in order to avoid serious injury and property damage.

This petition, Mr. Speaker, is signed by citizens of Weekes and Porcupine Plain.

I so present.

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, I stand today to present a petition on behalf of citizens throughout this province who are concerned about the loss of their community-based ambulance services. And the prayer reads as follows, Mr. Speaker.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to not implement the consolidation and centralization of ambulance services as recommended in the EMS report, and affirm its intent to work to improve community-based ambulance services.

And the signators on this petition, Mr. Speaker, are from the communities of Cudworth and Prud'homme.

I so present.

**Ms. Draude:** — Thank you, Mr. Speaker. I rise today to address concerns from people who are concerned about the prescription drugs in Saskatchewan.

Whereby 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.

The people that have signed this petition are from Weekes and Nut Mountain.

**Mr. Gantfoer:** — Thank you, Mr. Speaker. I rise this afternoon on behalf of citizens who are concerned about deficiencies in the government anti-tobacco initiative. 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.

The signatures on this petition, Mr. Speaker, this afternoon are from Archerwill, Tisdale, Meadow Lake, and Porcupine Plain.

I'm proud to present on their behalf.

**Mr. Bjornerud:** — Thank you, Mr. Speaker. I have a petition today to do with people concerned about — from the Saltcoats constituency — concerned about the overfishing at Lake of the Prairies. 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 signatures, Mr. Speaker, are from the communities of Esterhazy, Spy Hill, Stockholm, Churchbridge, and Langenburg.

**Mr. Stewart:** — Thank you, Mr. Speaker. I rise to present a petition signed by citizens concerned with the condition and capacity of the Avonlea dam. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to reconstruct and expand the Avonlea dam to meet current water supply demands, allow for sufficient water supply to accommodate proposed economic developments, and reduce flooding that has caused significant hardship in previous years.

Mr. Speaker, this petition is signed by individuals from the communities of Truax and Avonlea.

And I so present.

**Mr. Brkich:** — Mr. Speaker, I have a petition here dealing with the high cost of prescription drugs:

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 in duty bound, your petitioners will ever pray.

Signed by the good citizens from Kenaston.

I so present.

**Mr. Weekes:** — Thank you, Mr. Speaker. I also have a petition from citizens that live at Emerald Lake:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to

modify the exorbitant rates of telephone hookup to these cabins and provide regular cellular telephone coverage.

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

Signed by the citizens of Saskatoon, Shellbrook, Osler, and Martensville.

I so present.

**Ms. Harpauer:** — Thank you, Mr. Speaker. Mr. Speaker, I have a petition today about citizens concerned about the condition 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 condition of Highway 15 for Saskatchewan residents.

And the petition, Mr. Speaker, are signed from citizens from Simpson, Nokomis, Humboldt, and Regina.

I so present.

#### READING AND RECEIVING PETITIONS

**Deputy Clerk:** — According to order the following petitions have been reviewed and are hereby read and received as addendums to previously tabled petitions being sessional paper nos. 7, 11, 18, 23, 24, 132, 134, and no. 142.

#### NOTICES OF MOTIONS AND QUESTIONS

**Mr. Bjornerud:** — Thank you, Mr. Speaker. I give notice that I shall on day no. 54 ask the government the following questions:

To the Minister of Government Relations: does the Government of Saskatchewan pay grant in lieu of property taxes to municipalities on non-leased, provincially owned Crown land?

**Mr. Stewart:** — Thank you, Mr. Speaker. I give notice that I shall on day no. 54 ask the government the following question:

Who won the tender for painting contract on casino portion of Moose Jaw casino project and what was the amount of the successful bid; and further to that, what are the government rules for tendering process for subcontractors?

#### INTRODUCTION OF GUESTS

**Mr. Peters:** — Mr. Speaker, I'd like to introduce to you and through you to the members of the legislature, 24 students from the Cut Knife — sitting in the east gallery — from the Cut Knife Elementary School. They're here with Mr. Dupuis, the principal of the school; Mr. Runalls, the vice-principal. Darlene Veikle and Gail Churchman and Eric Kitching are the chaperones.

I wish that the Assembly would welcome them here.

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

**Mr. Van Mulligen:** — Thank you, Mr. Speaker. Mr. Speaker, last week it was my privilege to make a statement in the Assembly with respect to two Saskatchewan students who were going to Montreal to participate in a competition. This was the E-spirit competition which was organized by a federal agency and was intended to assist Aboriginal youth develop business plans, Mr. Speaker.

Mr. Speaker, those two students that I talked about in fact went to Montreal and won that competition.

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

**Mr. Van Mulligen:** — And it's my privilege today to introduce them to the Legislative Assembly, along with others who have joined them here today.

Mr. Speaker, first of all, I would like them to stand and be acknowledged, and that is the two students in question, Katie Delorme and Kristen Francis.

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

**Mr. Van Mulligen:** — As I mentioned that time, they're accompanied by their counsellor, Tyronne Fisher and their teacher, Sandra Mann. They are also here and I would ask that they be recognized, Mr. Speaker.

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

**Mr. Van Mulligen:** — Now as you all know, Mr. Speaker, successful students have a very strong supporting cast in family and community. And I would like to introduce to the Legislative Assembly, Ronald Crowe, who is the chief of the File Hills/Qu'Appelle Tribal Council, Chief Murray Ironchild of the Piapot First Nations, Gerry and Jacqueline Francis, Lisa and Jaylene Francis, Gerald Francis, and Virginia Desnomie, who are all here in honour of our two students.

Would you please join me in giving them a very warm welcome today. Thank you, Mr. Speaker.

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

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, to you and through you to all members of this Hon. Assembly, I'd like to introduce to you three of my constituents. Seated in your gallery are Doug Turnbull from Estevan, and Doug was my campaign manager in the last election. And with him are Jack and Harvey Kleiman of Hirsch. So I ask all members of the Assembly to join me in welcoming them.

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

**Ms. Hamilton:** — Thank you, Mr. Speaker. It's just such a pleasure to introduce to you and through you to all members of the Assembly, sitting in the west gallery, 46 wonderful, smiling, energetic students from Balgonie School.

As I mentioned, the grade 4 students are here today to view some of the proceedings and they're going to go on a tour and I'll be able to speak with them after their tour. And I'm looking forward to the questions they might have.

Today they are accompanied by teachers, Ms. Deidre Mallett and Ms. Audrey Templeton-Schultz. And along with them also, parents and chaperones: Mrs. Komaika, Mr. Lapchuk, and Mr. Cudmore.

I would ask all my colleagues to give these students from Balgonie School a warm welcome.

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

**Mr. Goulet:** — Mr. Speaker, I too would like to join the member in welcoming the two first top-notch students who won the award at the national level. And of course, I'll give them a Cree welcome and say Ta wow.

And I would like to say, Mr. Speaker, that I . . . as I listen to many of the First Nations leadership from the federation from the tribal councils from the First Nations communities, that many of them have stated that economic self determination is a key to this new century.

We are proud of these students.

(The hon. member spoke for a time in Cree.)

In Cree, we say . . .

(The hon. member spoke for a time in Cree.)

Mr. Speaker, that's the new century, the spirit of a new century. Thank you.

Again, welcome to the students.

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

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, I'd like to take this opportunity also to congratulate the students on their wonderful achievements. To commend you on your perseverance, your determination to forge into the future with a great deal of knowledge.

I'd also like to take the opportunity to welcome all members of the First Nations here as well as the chief sitting with us in your gallery, Mr. Speaker.

And once again, I ask the Assembly to welcome these fine people here today.

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

**Hon. Mr. Osika:** — Thank you, Mr. Speaker. Although we are neighbours we don't get to see much of one another.

That's why I want to take the opportunity to welcome, and ask everybody once again to welcome my good neighbour, Chief Ron Crowe, to the Assembly.

And it also gives me the opportunity since we don't get to see one another too often . . . Ron, I can't remember whether you have the Rototiller or I do, but I need it. Thank you.

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

## STATEMENTS BY MEMBERS

### Building Independence Improves Access to Child Care

**Mr. Van Mulligen:** — Thank you, Mr. Speaker. Mr. Speaker, I was proud to attend with the member for Moose Jaw North an event at Cochrane High School in my constituency. At that event new funding for child care, through the building independence initiative, was announced to assist low-income parents participate in the workforce and improve services for high-needs children.

Mr. Speaker, affordable, accessible, and quality child care is not only important in terms of ensuring children get the best possible start in life, initiatives such as this also improve or remove a significant barrier to participating in the workforce for low-income families.

Yesterday's announcement means 150 new child care spaces will be developed in Saskatchewan. This includes a new child care centre at Cochrane High School that will accommodate 14 toddlers and infants, and expansions to the YMCA (Young Men's Christian Association) child care centre and the Queen City Kiwanis infant care centre.

Mr. Speaker, further investments were announced which will improve child care services for special needs children, and increase the early childhood services grant to help child care centres retain child care workers through improving their wages.

Helping families, and especially children, to leave social assistance by eliminating barriers to employment is worthy of our support.

Thank you, Mr. Speaker.

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

### Foam Lake Science Fair Winners

**Mr. Krawetz:** — Thank you, Mr. Speaker. Mr. Speaker, firstly I want to extend my appreciation to Edna at North Battleford for her concern, and I want to tell her I'm fine as far as my health is concerned.

Secondly, I ask all members of the Assembly to join with me in congratulating four very talented students from Foam Lake Composite High School. All four of these young people representing the parkland region were recent winners at the Canada-wide Science Fair held at the University of Saskatchewan in Saskatoon.

They are Ambrely Faye, a grade 11 student who picked up a gold medal in senior engineering and a Petro-Canada Peer Prize for Innovation; Terri Lynn Paulson, also a grade 11 student who won a silver medal in senior biotechnology, as well as a Manning Innovation Achievement Award, and a Suncor Energy Foundation Award; Stephan Kowalchuk, a grade 9 student who won a bronze medal in intermediate engineering; and Brittany Faye, a grade 7 student who picked up a silver medal in junior engineering, as well as a Science Communication Award and an AECL (Atomic Energy of Canada Limited) Award for

Excellence in Science.

(13:45)

Mr. Speaker, Terri Lynn's project is worth special mention. Her project, the water analysis wizard, found that ions in poor quality water tie up the ions in herbicides, preventing the chemical from killing the targeted plants. What makes this even more interesting, Mr. Speaker, is that after Terri Lynn discovered this, she also found that there was no step-by-step guide for farmers to apply this new-found information, so she created one.

Well, Mr. Speaker, not only was she a winner at the science fair, but her work also caught the attention of — and I encourage the members opposite to listen closely to this — the PFRA (Prairie Farm Rehabilitation Administration) and Sask Water. This just goes to show you, Mr. Speaker, how innovative Saskatchewan's young people are and how vital they are to helping us grow the province.

Thank you very much.

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

#### **Credit Union Central of Canada Hall of Fame Inductee**

**Hon. Mr. Sonntag:** — Thank you, Mr. Speaker. A friend and former colleague of mine, Mr. John Vinek has been inducted into Credit Union Central of Canada's Hall of Fame.

In reviewing the information, the committee was quite impressed with the selfless giving of Mr. Vinek. The Hall of Fame Awards Committee inducted Mr. Vinek into the Credit Union Hall of Fame at the annual general meeting of Credit Union Central of Canada on May 9, 2002, this past . . . this month, in Victoria, BC (British Columbia).

The award is given to honour the volunteers and employees of the credit union system who meet criteria in regard to international, national, local, and provincial services. Mr. Vinek has served 37 years of dedicated service to the credit union system and contributed both locally and nationally to forward the credit union movement.

In addition to these accomplishments, Mr. Vinek was the general manager of the Lloydminster Credit Union for 31 years. He was both a president and director of the Credit Union Central of Canada, and served as past president and director of the Co-op Trust of Canada from 1982 to 1983.

I am sure that all members of this Assembly wish to join with me in congratulating the accomplishments of Mr. John Vinek.

Thank you, Mr. Speaker.

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

#### **Humboldt Constituency Football Player Recognized**

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, I would like to recognize a remarkable young man from the Humboldt constituency, Jason Biehn. Jason Biehn is among the top

prospects in high school football. And his situation is so remarkable, Mr. Speaker, because Jason has been deaf since birth. He can't hear anything but he sure can play football.

He led the Humboldt Collegiate Institute Mohawks with 13 picks in his graduating season in nine-man football. He was selected to play in the senior bowl at Griffith Stadium on the 45-player northern squad. And despite his hearing impediment, Biehn will go on to play for the Saskatoon Hilltops this season.

While Jason cannot hear what is happening on the football field as he is not able to wear his hearing aids during practice or games, he can read the quarterback's eyes very well. And Jason says and I quote:

When I look into the quarterback's eyes, I can usually tell where the ball is going. I'm pretty fast and pretty good with my angles so it's a combination of reading the play and adjusting.

Jason's high school coach Shaun Gardiner credits Jason with being an all around nice young man who has walked through some difficult obstacles. Gardiner had some concerns at first about coaching Jason, concerns that he may get hurt and how to deal with that.

Jason has applied to enter the University of Saskatchewan in the fall. He is also anxious to join the defending national champion Saskatoon Hilltops. The Hilltops are also anxious to have Jason play with them and I would stand today once again, Mr. Speaker, and ask all members of this Assembly to acknowledge this remarkable young man. Thank you, Mr. Speaker.

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

#### **Celebration Honouring First Nations Veterans**

**Mr. Harper:** — Thank you, Mr. Speaker. Mr. Speaker, on Saturday, May 25 I had the pleasure of attending a very special celebration on the Key Indian Reserve.

The Key Indian Band honoured their last two surviving World War II veterans of their reserve, Mr. Albert Crane, and Mr. Raymond Brass.

Although the focus of the celebration was on Mr. Crane and Mr. Brass, it was extended to the veterans of the neighbouring reserves Keeseekoose and Cote, as well as all First Nations veterans from the two world wars and Korea.

Mr. Speaker, as we all know as a result of the treaties, First Nations people are exempt from military service, but when war was declared a large number of First Nations young men volunteered to serve their country.

Recognition was brought to the veterans by Chief Perry Bellegard, the Chief of the FSIN (Federation of Saskatchewan Indian Nations); Grand Chief Howard Anderson, a World War II veteran himself, and a tireless worker for First Nations veterans' rights; Chief Ted Quewezance, Chief of the Keeseekoose Reserve; and Chief Tony Cote, Chief of the Yorkton Tribal Council and himself a veteran of Korea.

I want to congratulate Key Indian Band and Mr. Dennis O'Soup for organizing this very great celebration in honouring the tributes, the contributions and the sacrifices made by our First Nations veterans. Thank you.

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

### 10th Annual Estevan Bruins Celebrity Sports Dinner

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, the 10th Annual Estevan Bruins Celebrity Sports dinner was held in Estevan last Saturday night. This event also includes presentations of the male and female athletes of the year.

Female Athlete of the Year was Nikita Jundt. Nikita competes in speed swimming, she works as a lifeguard, and her involvement on the water polo team has taken her to different parts of Canada and the United States.

Male athlete of the year went to Ed Turnbull. Ed has been involved in stock car racing in Saskatchewan and the United States for many years, and he was instrumental in the building of Estevan Motor Speedway. And incidentally, Mr. Speaker, Ed is the son of Doug Turnbull.

The Kim Anderson Award went to Kevin Rappel. Kevin has displayed a willingness to learn and good judgment in his role as junior official.

Mr. Speaker, the 500 people present enjoyed guest speakers: Byron Smith, who climbed Mount Everest; curling champion, Ed Lukowich; Norm Lenardon, who was the member of the 1961 world hockey champion Smoke Trail Eaters; and last but certainly not least, Darryl Sittler, former member of the Toronto Maple Leafs and 1989 inductee to the Hockey Hall of Fame.

Hats off to the executive of the Estevan Bruins Hockey Club and everyone who made this dinner the success it was. Thank you.

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

### Artists of Erindale School Project

**Mr. Addley:** — Thank you, Mr. Speaker. Mr. Speaker, the new neighbourhood of Erindale is mostly in my constituency of Saskatoon Sutherland. As we in this young province know, establishing a sense of community identity does not happen overnight. But I want to tell members about a very special project undertaken by the teachers and students of Dr. John Egnatoff School which will inform them about their local community and much about the history and culture of the larger city and of their province.

It is called the Artists of Erindale project and it is funded through the Saskatoon Foundation and its Art Smart program. The project begins with the fact that the streets of Erindale are named after renowned Saskatchewan artists: Hurley, Bentham, Pehudoff, Linder, Kenderdine, and others.

Grade 2 teacher Christine Todd and her colleagues at Dr. John Egnatoff School have developed a curriculum which integrates art instruction into a study of their community. Each class

undertook the study of one of the artists. They not only studied the work and the technique of the artist, but also the influences and circumstances of their life and art. This led to an appreciation of our history and culture.

Fortunately some of the artists have relatives who attend the school. In one case, three generations of artists contributed: William Pehudoff; his daughter, Catherine Fowler; and grandson, Charles Fowler.

Also the students were assisted in their research by the Mendel Gallery and the University of Saskatchewan art department.

I'm happy to say I was able to use a painting by one of the students, Ashley Steier, for my Christmas greeting card.

Mr. Speaker, this project which, with variations, could be repeated in students . . . schools across the province. I'm proud to acknowledge this unique undertaking by these excellent students and teachers. Thank you, Mr. Speaker.

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

## ORAL QUESTIONS

### Saskatchewan Government Growth Funds

**Mr. Krawetz:** — Thank you, Mr. Speaker. Mr. Speaker, the Saskatchewan Government Growth funds were set up to take immigrant investment money and invest it in Saskatchewan businesses under the federal immigrant investor program. This money is to be invested in Saskatchewan small-business ventures that contribute to business expansion in this province. The problem is not all the money is going into Saskatchewan businesses.

According to the Provincial Auditor, almost \$50 million has been sucked up by the NDP (New Democratic Party) government in the last two years to buy things like cars and computer equipment for the government.

Mr. Speaker, this is a violation of the rules governing the immigrant investment program. Mr. Speaker, my question is, why is the NDP taking millions of dollars of growth fund money that is supposed to go to small businesses in Saskatchewan?

**Hon. Mr. Lautermilch:** — Thank you very much. Mr. Speaker, I want to say to you, to the members opposite, to the people of Saskatchewan, that the auditor has recognized in his report that it had not met some of the requirements under the immigration regulations, and the SGGF (Saskatchewan Government Growth Fund Ltd.) management has been, they inform me, taking some initiatives to improve compliance.

The SGGF's ability to invest the required amounts of money within nine months of receipt is somewhat hindered by the requirement that 50 per cent of it is to be allocated for government operating leases. And the fact that the five-year interest rates have been falling make it slightly more attractive for government to borrow rather than leasing. So the requirement is 50 per cent would be assumed by government. We have not been able to achieve that target but we're working

towards that end, sir.

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

**Mr. Krawetz:** — Thank you, Mr. Speaker. Mr. Speaker, I'm just trying to figure out how the NDP tried to weasel around these federal regulations. First they set up two numbered companies owned by the government and dumped \$40 million into these numbered companies. The federal government ruled these investments were ineligible because the money is supposed to go to businesses, not government.

So then the NDP set up two supposedly private companies whose only function was to access SGGF money, buy cars and equipment, and then lease them back to the government. Again, the federal regulations say this is against the regulations and the NDP is just trying to get around the rules.

Mr. Speaker, instead of coming up with new and creative ways to get around the rules, why doesn't the NDP just keep their grubby hands off the money and invest . . . let SGGF invest in businesses?

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, I want to say to the members opposite that there are some requirements with respect to money being put to government purposes, to secure government purposes as it relates to the rules around the operations of the growth funds and the management thereof.

I want to say to members opposite that the managers of these funds I think have done a very adequate job for the people of Saskatchewan. There have been many businesses that have been funded by growth fund equity and I want to say many of them have been successful because of that.

Now if this member is alleging that there is inappropriate actions that have been taken by management of the growth fund, I can tell that member that I will look directly into it and find out what the true facts are, sir.

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

**Mr. Krawetz:** — Thank you, Mr. Speaker. Mr. Speaker, the NDP continues to try to get around the rules. The Provincial Auditor has indicated that they are breaking the rules. And I want to quote from the auditor's report, Mr. Speaker. And he says this:

(SGGF) . . . Management Corporation invested \$39.9 million of SGGF . . . monies in . . . numbered . . . (corporations).

The Federal Government ruled . . . these investments . . . ineligible because of the Provincial Government's control of those companies . . .

In 2001, Cajon Leasing made two lease agreements with two Crown corporations, (Saskatchewan Liquor and Gaming and . . . (SPMC)) totalling 9.3 million . . . The *Immigration Regulations* do not deem these kinds of leases as eligible investments.

That's the end of the quote, Mr. Speaker.

Mr. Speaker, why has the NDP government invested nearly \$50 million of SGGF money in ineligible government leases?

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

**Hon. Mr. Lautermilch:** — I am told, and it is stated on page 37 in the auditor's report, that the manager of the corporation has told the auditor that Cajon Leasing and the two Crown corporations are in the process of changing the lease arrangements to ensure that the leases qualify as eligible investments.

Mr. Speaker, I want to say that Saskatchewan . . .

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

(14:00)

**Hon. Mr. Lautermilch:** — Mr. Speaker, the auditor also goes on to say that:

. . . we understand that by June 2002 the Federal Government is to review the corrective measures taken by Management Corporation's to comply with the *Immigration Regulations*.

Mr. Speaker, if the member is alleging that there is inappropriate expenditure of immigrant investor funds and that these monies are somehow being funnelled into inappropriate . . .

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, I want to say that if the member opposite is alleging that money is being inappropriately spent, he should stand in this House and say so.

I want to say that we will be working with the auditor, comply to the rules. And, Mr. Speaker, I stand behind the management decision. They are expending these dollars in a very appropriate way.

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

**Mr. Krawetz:** — Mr. Speaker, I'm sure that the Minister of Industry and Resources is going to be looking for another scheme as soon as the federal government delivers their decision.

Mr. Speaker, the question to the minister is, what did the . . . did Cajon Leasing buy last year for \$9.3 million for SLGA (Saskatchewan Liquor and Gaming Authority) and SPMC (Saskatchewan Property Management Corporation)?

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, I will respond to that question. I will be calling up the details of the expenditures of the leases. I will be sharing them with the members opposite.

But I want to say, Mr. Speaker, I believe that member is alleging that there's inappropriate expenditure of immigrant investors' funds and if that is what he is saying, he should not only say it in here, he should go out in the rotunda and say it where . . .

**The Speaker:** — Order, please.

**Mr. Krawetz:** — Mr. Speaker, I want to indicate that the auditor has said that:

The Immigration . . . (rules) do not deem these kinds of leases as eligible investments.

I quote from the auditor's report, Mr. Speaker.

Mr. Speaker, the bottom line is this. This money is supposed to go to Saskatchewan businesses, not the NDP government. The NDP has tried two different tricks to try to get around the rules and they got caught both times. But have they learned their lesson? Absolutely not.

Now they're using SGGF money to buy their new government's airplane.

Mr. Speaker, this money is supposed to be invested to grow Saskatchewan businesses. Why does the NDP keep snatching it away to buy cars and airplanes?

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

**Hon. Mr. Lautermilch:** — Well, Mr. Speaker, I note that the member opposite is quite interesting in how the lease arrangements for the new government aircraft were arrived at. And I want to say that he might want to consider that every time he's on that plane flying around this province.

I want to say that the immigrant investors fund in part is to ensure that there's security of investment, and part of that is in government initiatives, Mr. Speaker. That member knows that. He is trying to portray wrongdoing by people who work with the Saskatchewan Government Growth Fund; and if he is alleging that, I'm asking him to go outside in this rotunda and repeat just exactly that out there where he can be dealt with by senior management people who have done a good job in stewarding this immigrant investment money.

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

**Mr. Krawetz:** — Thank you, Mr. Speaker. Mr. Speaker, let's take a look at the summary of SGGF fund investments, funds III to VIII. Those funds had about \$93 million invested at the end of 2001. Over \$51 million — or 55 per cent — was invested in government leases — ineligible investments, Mr. Speaker. I repeat: ineligible investments according to the federal government.

Mr. Speaker, it's not just that these investments are against the rules. What's . . .

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

**Mr. Krawetz:** — Thank you, Mr. Speaker. Mr. Speaker, it's

not just that these investments are against the rules. What's really sad is that the NDP has this huge pool of private investment money to invest in Saskatchewan and the best idea they can come up with is to buy cars and planes for the government.

Mr. Speaker, why does the NDP have so little faith in Saskatchewan businesses? Why are they using SGGF money to invest in government instead of business?

**Hon. Mr. Lautermilch:** — Mr. Speaker, if investment in government to create some security for immigrant investors' funds is a difficult circumstance for that member to agree to, then we'll have to disagree. But I think the fact that we're using it to fund the lease arrangements for some of the assets that government needs in terms of operating, that creates more stability for immigrant investment dollars, I don't think is an unreasonable circumstance. I think, Mr. Speaker, the people of Saskatchewan would understand clearly why those investments have been made. And the auditor has outlined quite clearly in his report exactly why they have done it, and that's to create some stability for the investment . . .

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

**Mr. Krawetz:** — Thank you, Mr. Speaker. You know, Mr. Speaker, it's a pretty sad admission when the NDP has millions of dollars of private venture capital fund to invest in Saskatchewan businesses and the best idea they can come up with is to buy cars and planes for the government. How does that help small business? How does that help Saskatchewan grow?

Mr. Speaker, if the idea . . . NDP's idea of growing the economy is to buy cars and planes for the government, we need a new government.

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

**Mr. Krawetz:** — We need a government that believes in Saskatchewan businesses. We need a government that will invest private sector money in the private sector, not government cars and airplanes. We need a Saskatchewan Party government, Mr. Speaker.

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

**Mr. Krawetz:** — Mr. Speaker, why does the NDP have so little faith in Saskatchewan businesses that it is breaking the rules to keep private investment dollars away from Saskatchewan businesses?

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

**The Speaker:** — Order.

**Hon. Mr. Lautermilch:** — Mr. Speaker, finally we come to the issue. Every day those members stand up here and malign private sector investors with respect to ethanol — every day, Mr. Speaker. Mr. Speaker, investment into the ethanol industry that goes into their communities across this province, they stand up and they attempt to chase out of this province, Mr. Speaker.

Mr. Speaker, when this government was . . . (inaudible) . . . to partner with private sector investors in communities like Shaunavon, and in Belle Plaine and in Melville, these people say, you shouldn't ought to do it; you cannot put any public sector investment to make economic development happen.

Mr. Speaker, when we take immigrant investment dollars and use them to create some secure leases, whether it's for vehicles or whether it's for an airplane, Mr. Speaker, they oppose that.

You know what, Mr. Speaker? There isn't a thing that this administration does that they won't attack. There isn't a thing that they won't do to attempt to gain political power. But you see, Mr. Speaker, the people don't trust them because they are duplicitous. They will say one thing in here . . .

**The Speaker:** — Order. Order.

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

### Information Services Corporation

**Mr. Wall:** — Thank you, thank you, Mr. Speaker. My question is for the minister responsible for the Information Services Corporation. Mr. Speaker, late last year the NDP was trying to explain away the fact that the amount of money that ISC (Information Services Corporation of Saskatchewan) would be borrowing from taxpayers had soared over \$20 million what they forecasted just months before in the spring budget.

The government said the \$20 million was needed for computers for the Information Services Corporation. The NDP had said that they originally thought they could cook up a deal through the Saskatchewan Government Growth funds that would be used to buy the computers and then they would be able to lease them back, Mr. Speaker. Obviously the government was willing to go to great lengths to try to portray ISC as something other than the taxpayers' money pit that it had become by that point, Mr. Speaker.

Mr. Speaker, will the minister confirm that this attempt to lowball the skyrocketing debt at ISC through the SGGF lease arrangement, could he confirm that it failed because the federal government was putting a stop to this government's mismanagement of the SGGF funds?

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

**Hon. Mr. Lautermilch:** — Well you see, Mr. Speaker, they attack it all. They cannot stand the fact that we are developing one of the most advanced computer technology . . .

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, Mr. Speaker, there should be no . . .

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

**Hon. Mr. Lautermilch:** — Mr. Speaker, whether it's investing in computers to develop the technology that ISC is putting together, or whether it's investing in vehicles, or whether it's

investing in an aircraft, you see, Mr. Speaker, they can't stand any of it. Mr. Speaker, they don't like any of it.

Do you know, Mr. Speaker, what they like? Mr. Speaker, what they like is privatization. Sell off the Crowns to fund tax reductions that aren't sustainable.

Mr. Speaker, I want to tell you that we have faith in the businesses in this province, public sector and private. And I want to tell you that we have faith in the people who are managing the immigrant investor funds. And the fact that some of the immigrant investor funds has been used to supply leases for computers and for vehicles and for aircraft should not offend those members. What they need to do, Mr. Speaker, is get on page with the rest of the people of this province, who see a future for this province and understand that this government is managing their assets very well.

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

**Mr. Wall:** — Mr. Speaker, last week the minister asked me to lend him my ear, Mr. Speaker. And I'm loath to do that because in just a few short months the taxpayers of this province are going to throw this government out on their ear, Mr. Speaker.

Mr. Speaker, since the minister, since the minister is now proudly answering for the Information Services Corporation, I would ask . . .

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

**Mr. Wall:** — Mr. Speaker, since the minister is now proudly answering questions for the Information Services Corporation, I wonder if he could stand in the legislature today and confirm that yesterday the president of ISC has resigned. And if he has . . . That's Mr. Fraser Nicholson. And if Mr. Nicholson resigned yesterday, would he inform the Assembly why he resigned, when it takes effect, and what the government will be doing in his stead?

**Hon. Mr. Axworthy:** — Thank you, Mr. Speaker. Mr. Speaker, I can confirm that the president of ISC resigned yesterday to take up a position in the private sector in Nova Scotia, Mr. Speaker.

He was not looking for work, Mr. Speaker, but people came looking for him. And, Mr. Speaker, I think what that shows, Mr. Speaker, is that Fraser Nicholson . . .

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

**Hon. Mr. Axworthy:** — Mr. Speaker, as I was saying Mr. Nicholson was headhunted away from ISC. What that tells me, Mr. Speaker, is that the private sector recognizes the skill, the knowledge, the expertise of our heads of corporations, and that's why he's gone, Mr. Speaker.

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

### Workers' Compensation Board

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



responsible for Workers' Compensation Board.

Last Friday the Saskatchewan Party asked the government about the financial disaster at WCB (Workers' Compensation Board). We pointed out that WCB lost \$56 million last year, but the minister said she was proud of the financial disaster at WCB. No problem at all. Don't worry; be happy, she said.

Well, Mr. Speaker, today the Provincial Auditor's released his report on the WCB and he wasn't smiling.

Why would the minister tell everyone in Saskatchewan there were no problems at WCB when she knew that there was massive financial mismanagement that was taking place at the WCB?

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

(14:15)

**Hon. Ms. Higgins:** — Thank you, Mr. Speaker. I don't recall saying there was no problems at the WCB. But what I do remember saying, Mr. Speaker, was that Saskatchewan is a very well run WCB. They have weathered their way through some very tough times during the mid-'90s and will continue to manage well during these times.

Mr. Speaker, we provide excellent services to injured workers in Saskatchewan — rehab, vocation. And, Mr. Speaker, we do boast the second lowest rates in the provinces right across Canada.

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

**Mr. Weekes:** — Thank you, Mr. Speaker. That answer by the minister shows that she's totally out of touch with her department, with WCB, and the people of Saskatchewan.

Mr. Speaker, the Provincial Auditor's report reveals a stunning level of financial incompetence at WCB. According to the auditor, nobody at WCB knew about the financial disaster that was taking place last year. The auditor says board members were not given accurate monthly financial updates on the cost of existing WCB claims. And without monitoring expenses and liabilities on a month by month basis, the NDP's hand-picked board chairman, John Solomon, kept everyone in the dark about what would eventually add up to a \$56 million loss in 2001.

Mr. Speaker, why wasn't WCB board chairman, John Solomon, providing accurate monthly updates to other board members? Why wasn't the WCB monitoring monthly expenses to ensure that they stayed in the black?

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

**Hon. Ms. Higgins:** — Well, Mr. Speaker, despite the good record of the WCB in Saskatchewan, there was some financial difficulties last year with the drop in the markets and the reduced revenues, and also the actuarial adjustment that took place at the end of the year.

But, Mr. Speaker . . .

**The Speaker:** — Order, please. Order. I'm finding it very difficult . . . members, it's becoming very difficult to hear both the questions and the answers. And I would ask members' co-operation.

**Hon. Ms. Higgins:** — Mr. Speaker, when you look at the WCB monthly board meetings, there is financial information that is provided at these meetings. But, Mr. Speaker, the Provincial Auditor has made comments that it's not detailed enough. And the WCB and the board and the board chairperson have taken steps to alleviate that and to fix the problem.

Mr. Speaker, monthly statements of operations that are prepared for the WCB board members will highlight actuarial adjustments as a line item, comparing the budgeted adjustment to ongoing future liabilities, costs, changes over this fiscal year.

And based on the first quarter trends, all the monthly reports to the WCB board members will contain year-end claim-cost forecasts with accompanying written analyses explaining budget variances. And by the summer, and, Mr. Speaker, by the summer of 2002 the Workers' Compensation Board will receive ongoing, expert advice from a University of Regina faculty . . .

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

**Mr. Weekes:** — Thank you, Mr. Speaker. If the Auditor General had been given detailed reports maybe the minister and the WCB officials should provide more information to the auditor.

Mr. Speaker, the net result of the NDP's gross mismanagement of WCB is that they underestimated compensation claims by a whopping \$49 million. They underestimated benefits liabilities by \$69 million. And in the first year under the incompetent management of NDP hack, John Solomon, the WCB posted a huge \$56 million operating loss.

And now business groups are saying that the minister is warning them to expect double-digit increases in WCB premiums this year. Mr. Speaker, is that true? Will the NDP's financial incompetence at WCB result in double-digit rate increases in WCB rates this year?

**Hon. Ms. Higgins:** — Well, Mr. Speaker. I don't have a lot of experience in question period, but these last couple of weeks have been bizarre. We have gone from the opposition criticizing the processes of volunteer boards and esteemed institutions in this province that provide good services.

I said they criticize everything, Mr. Speaker, from criticizing whether we do investigations on people who may be suspect of fraud to a few months ago, Mr. Speaker, where they wanted to throw minors into boot camps, for crying out loud, for minor offences. From boot camps . . . I mean from one extreme to another, Mr. Speaker, they criticize things that people in this province have worked hard to build. And, Mr. Speaker, they're way off base.

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

**The Speaker:** — Order, please.

## INTRODUCTION OF BILLS

### Bill No. 57 — The Automobile Accident Insurance Amendment Act, 2002

**Hon. Mr. Sonntag:** — Thank you, Mr. Speaker. I move that Bill No. 57, The Automobile Accident Amendment Act, 2002 be now introduced and read for the first time.

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

## TABLING OF REPORTS

**The Speaker:** — Members of the Assembly, before orders of the day, I just wish to advise members that I have for the record tabled the 2002 Spring Auditor's Report silently before the . . . right after prayers.

**Hon. Mr. Hagel:** — Mr. Speaker, I seek leave of the House to introduce several motions related to membership of certain committees.

Leave granted.

## MOTIONS

### Substitution of Members on Committees

**Hon. Mr. Hagel:** — Mr. Speaker, I move, seconded by the Government House Leader, that:

The name of Ms. Doreen Hamilton be substituted for Mr. Mark Wartman on the list of members composing the Standing Committee on Municipal Law.

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

Motion agreed to.

**Hon. Mr. Hagel:** — Mr. Speaker, I move:

That the names of Ms. Judy Junor and Mr. David Forbes be substituted for those of Mr. Andrew Thomson and Ms. Janice MacKinnon on the list of members composing the Standing Committee on Constitutional Affairs.

Seconded by the Government House Leader.

Motion agreed to.

**Hon. Mr. Hagel:** — Mr. Speaker, I move, seconded by the Government House Leader:

That the names of Ms. Pat Atkinson and Mr. Keith Goulet be substituted for those of Ms. Debbie Higgins and Mr. Andrew Thomson on the list of members composing the Standing Committee on Education.

Motion agreed to.

**Hon. Mr. Hagel:** — Mr. Speaker, I move, seconded by the Government House Leader:

That the name of Ms. Carolyn Jones be substituted for that of Ms. Debbie Higgins on the list of members composing the Standing Committee on Non-controversial Bills.

Motion agreed to.

**Hon. Mr. Hagel:** — Mr. Speaker, I move, seconded by the Government House Leader:

That the name of Mr. Kevin Yates be substituted for that of Ms. Janice MacKinnon on the list of members composing the Standing Committee on Privileges and Elections.

Motion agreed to.

**Hon. Mr. Hagel:** — Mr. Speaker, I move, seconded by the Government House Leader:

That the names of Ms. Doreen Hamilton and Mr. Kevin Yates be substituted for those of Mr. Buckley Belanger and Mr. Andrew Thomson on the list of members composing the Standing Committee on Health Care.

Motion agreed to.

**Hon. Mr. Hagel:** — Mr. Speaker, I move, seconded by the Government House Leader:

That the names of Mr. Graham Addley and Ms. Doreen Hamilton be substituted for those of Ms. Debbie Higgins and Mr. Andrew Thomson on a list of members composing the Standing Committee on Communication.

Motion agreed to.

**Hon. Mr. Hagel:** — Mr. Speaker, I move by the Government House . . . seconded by the Government House Leader:

That the name of Mr. Kim Trew be substituted for that of Mr. Mark Wartman on a list of members composing the Standing Committee on Environment.

Motion agreed to.

**Hon. Mr. Hagel:** — Mr. Speaker, I move, seconded by the Government House Leader:

That the names of Mr. Glenn Hagel and Mr. Kevin Yates be substituted for those of Ms. Debbie Higgins and Mr. Ron Osika on a list of members composing the Special Committee on Rules and Procedures.

Motion agreed to.

**Hon. Mr. Hagel:** — Mr. Speaker, finally I move that, seconded by the Government House Leader:

That the names of Ms. Judy Junor and Mr. Graham Addley be substituted for those of Ms. Debbie Higgins and Mr. Andrew Thomson on a list of members composing the Special Committee on Regulations.

Motion agreed to.

(14:30)

## ORDERS OF THE DAY

### WRITTEN QUESTIONS

**Mr. Yates:** — Thank you, Mr. Speaker. I'm extremely pleased today to stand on behalf of the government and table responses to written questions 210 through 226 inclusive.

**The Speaker:** — Responses to 210 to 222 are tabled . . . to 226 are tabled inclusive.

### PRIVATE MEMBERS' MOTIONS

#### Motion No. 11 — Development of the Forest Industry

**Mr. Goulet:** — Mr. Speaker, following my comments, I would like to move the following motion, seconded by the member from Regina Dewdney:

That this Assembly congratulate the forest industry for making great progress in creating thousands of jobs and attracting new investments of nearly \$1 billion in the last three years.

Mr. Speaker, when you look at this province, automatically, of course, you recognize the impact of agriculture as well as mining. But a lot of people also recognize that forestry is indeed one of our top three industries in this province.

As we look to the new century, we look with a certain degree of optimism amidst the challenging times of the softwood lumber issue. I would like to look at the progress, you know, that has been made in '99. But as I do the progress report, I'd like to say that since 1999, we've been able to look at \$1 billion worth of projects, which meant 3,400 direct jobs and 6,700 indirect jobs.

In more specific terms, Mr. Speaker, we had a \$350 million project from Weyerhaeuser in Prince Albert in upgrading the mill there so that indeed, that cogeneration facility that was there would deal with the order from the mill and that has helped, you know, quite well over the years, Mr. Speaker. And also it improved in regards to the process of the overall development.

We also had a \$100 million Big River Saw mill where we would have 420 direct jobs as well as 840 indirect jobs. We also had a \$220 million dollar Hudson Bay oriented strand board mill. There was also the partnership with Weyerhaeuser and the First Nations people through the Wapawekka Lumber company of 27 million. I remember the time they did the opening with the best in modern technology utilizing computerized systems in terms of making better use you know of the timber itself.

There is also a \$220 million OSB (oriented strand board) with Tolko and its partners. And again there it's 260 jobs, with 520 indirect.

On the smaller businesses up in the North Country, we had a \$2 million development in Dillon, in the saw mill as well as in La Loche. There was also a \$10 million independent operator's development since that time.

Mr. Speaker, when we were doing the development we looked at the concept of sustainability. And we made sure that as we did the development you know prior to '99, we made sure that we upgraded our legislation to make sure that we had the best forestry policy to make sure that not only did we have sustainability in terms of jobs, that we would have sustainability in terms of the environment.

And when we looked at the law that we created, it was very important to recognize that we would have a more stringent type of guidelines in regard to land use planning and a greater degree of consultation processes, and integrating the people from the forestry industry on a community level.

And we also had in that Act the new idea of auditing. We have the regular yearly checks that were there on the forestry development, but we were looking at an addition of an audit that would be made on five-year levels in regards to the forestry development.

We knew we would . . . we were taking approximately 1 per cent you know of our available forests were being used for development, and our planning was to move to about 2 per cent. A lot of the people at that time thought that it was quite a bit moving to 2 per cent, but in comparison to forest fires, sometimes a forest fire developments ranged anywhere from 17 . . . 7 to 15 per cent you know the forests burn on a yearly basis.

So we were looking at quite a sustainable type of approach in regards to forestry development.

We also looked at the jobs side in terms of the planning. I remember on the first phase we did geographic information systems. We trained some people from Montreal Lake Band and the surrounding areas, and we did a training program through Woodland Campus and there we had people with technical skills on geographic information systems where they could utilize the computer to look at the topography of the land, you know, what type of trees there were, what type of vegetation, and also paying due respects to the First Nations gravesites and all other special areas, you know, of consideration at that time.

So it's a very important program for not only the people of the North and surrounding area in Prince Albert, but it was an important program in terms of the level of development for forestry anywhere in the world. It was also at that time that the ideas came into make sure that we had a forest ecosystems technologist program and that has now been started. We also had an integrated resource management program.

So when you're looking at forestry development, there has been fairly good preparation that was done in terms of law, in terms of training, in terms of making sure that the proper preparation was there.

When I looked at the jobs, as I mentioned before we had 3,400 direct jobs and 6,700 indirect jobs, we recognize that in addition we have a tremendous forest firefighting program which is headed up by somebody from Cumberland House; and he's, of course, been involved in forestry for many, many years and his name Murdoch Carriere. And, he started out doing forest firefighting, you know, a little after I did my forest firefighting

stint.

I remember when I did my forest firefighting stint we were making \$4 a day in forest firefighting. And that's quite a few years. Of course, you know, it's been improved since that time.

And Murdoch and his key staff have done wonders in regards to not only involving northern people a lot better, and Aboriginal people, but also in terms of building up the levels of skills and making sure that our people were not only top-notch within this province, but they were being hired elsewhere in the different provinces and looking forward to even long-term goal of even the American fires.

So I think that that type of approach was being taken very carefully by key strong people in the forestry sector.

There was also a policy made on northern procurement. It meant that when we were doing the businesses, a lot of the northern businesses said that it was very good for the larger cities to get a lot of the benefits, and much the same idea that we had in mining. And a lot of our entrepreneurs at the local level in the North wanted a shot at a lot of the contracts that came out, for example to supply the food, to supply a lot of the goods and services that were required.

So we came out with a northern procurement policy so that we have a better and strong partnership with people of the North and that has been proven to be quite successful. And I know that when you combine the strategy on forest fire fighting where we have a First Nations forest fire protection system, as well as a new one for northerners, it bodes quite well in terms of how we compare with the rest of Canada.

We also have in addition to the creation of jobs and the training programs and trying to get people in management systems in forestry, what is very important to the new development is that . . . the concept of lease agreements. It used to be that lease agreements used to be held by the large-scale corporations. And true enough, the large-scale corporations had tremendous skills on marketing internationally, etc., and also large enough to withstand the softwood lumber issues, even by the right wing Republicans in the United States.

But I think that in many cases as we were doing this development it was very, very significant that we went into this lease agreement idea on a strong partnership level. It's the first time that it happened in Canada or in North America, where a group of people in a particular region — and we use the term northerners — who yes, used to get jobs and yes, used to get the smaller contracts, but never did they participate in the lease agreements.

And for the first time in the history of this province, for the first time in the history of Canada as a nation, we have seen this strong partnership build. And the strong partnership is not only with northerners, but First Nations people. We now have First Nations people being part of the lease agreement under Mistik Management and their developments on the west side.

We will be adding a lease agreement in regards to La Ronge, Lac La Ronge Indian Band, as well as Zelensky Brothers, and they will form a partnership with a major industrial partner.

And also . . . (inaudible) . . . from Peter Ballantyne Cree Nation will have a partner at the larger industry level. Now that's a new development anywhere.

And I noticed that about a month ago there was Quebec development with the Government of Quebec, where they said it was the first time that they were going to move into lease agreements. But they probably didn't know that we had already moved in that direction in Saskatchewan and we were actually the first to move in on not only the importance of jobs, the importance of training, the importance of business development, but to be part of the strong aspect of lease agreements.

So that is a very important thing that I am very proud of, having worked in . . . as a former minister of Northern Affairs and working with the Environment minister and also working at that time with Janice MacKinnon who was the minister in charge of Economic Development.

So these were the plannings and we're seeing it move forward. Of course we're a little bit on a tough situation now with the challenge not only of September 11 but actually the . . . a lot of the people thought that the new election of a more right-wing government, the Republicans, would be a plus in terms of economic development in the Free Trade Agreement. They thought that's what would happen. And I know that our friends from across probably cheered when the Republicans got elected because they're cousins.

But a lot of people didn't know that the Republicans would become extra-protectionist in regards to what took place in the United States. And that's what we have come to see in what first we saw, the softwood lumber at 19 per cent and 29 per cent, and we saw the situation in agriculture, you know, the tremendous amount of subsidies that they're having.

And it's going to hurt not only, of course, the forestry community which . . . I know in the community of La Ronge, Zelensky had to do layoffs, you know, this past year. But it . . . I know of some other people slowing, you know, the process down. But it shocked a lot of people when they thought that the right wingers who were supposedly in charge of free trade ended up to be more protectionists, you know, than the Democrats who were around prior to the last election.

It's very, very important that as we're doing of course the development, we see our provinces coming together with a national level of government dealing with the issue on agriculture. We see a special approach in Western Canada. We're seeing an approach of getting together in regards to the forestry side of the debate as well. But I think it's very important. It's not only a question of dealing with the legal side of the question but the importance of politics and in communication and informational side of the question.

So those are the types of things that are very, very, very important, you know, for our people to stay together on a unified fashion as we deal with the softwood lumber issue. And when we're dealing with the future, Mr. Speaker, there will come as we're resolving this issue, there are aspects of the lumber industry that are not necessarily only on the softwood lumber side. There are other aspects that we could move in on

developments and we've seen that already starting to take place.

But I think it's very important to recognize that that's where we need to move during the transition phase as we try and settle this softwood lumber issue.

(14:45)

But I'm very, very pleased as a member from Cumberland and being from the North to see the tremendous levels of improvements that the forestry companies have had as part of their impact to northern development. You know, the billion that they have put in has been very, very significant for us in the North. Many times we look to, as I've said earlier on, the mining side as well as the other developments but it was very, very important for us to see this forestry development side.

And I note it with a bit of a . . . always a cautious optimism that there is another company that has moved in. I noticed that over the past while we've seen the Alberta Newsprint Company. I mean they're considering a 650 million capital investment as well as . . . possibly in conjunction with others. If it does good, there'll be a couple of saw mills — about \$800 million altogether. And that will as well bring in about 600 jobs.

So we're starting to look at it and to remain very, very positive in regards to the development, trying to encourage that development. There seems there have been more in regards to our development on the forestry Act. They saw that development in regards to the forestry centre. They know that the government is onside in regards to developing a very, very positive partnership within industry as we move to the future.

And from time to time there will be challenges that we face, such as the softwood lumber issue. But over the long run, I am an optimist. I mean I think that the level . . . the challenges that these businesses have faced before they have faced in different context, they will be able to face those challenges.

And we as a government will be trying to get at the best side of getting at the training side, the policy-making side to make sure that indeed we have a strong leadership on forestry development in this province.

So I'm very, very proud therefore, Mr. Speaker, to move this motion and seconded from the member from Regina Dewdney.

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

**Mr. Yates:** — Thank you very much, Mr. Speaker. I'm very pleased this afternoon to second the motion made by the hon. member from Cumberland and to once again thank the investment put forward by our business community in building the forest industry in Saskatchewan. And of course, thank northern communities and the people of the North for working so hard in this very, very important industry in Saskatchewan, Mr. Speaker.

Now the people in our communities across the province, across this country, Mr. Speaker, understand the importance of the forest industry in Canada. And in particular, we want to focus today on the forest industry in Saskatchewan. And although it is an industry under a fair amount of challenge as we look at the

scope of it today and not only do we have extremely dry timberlands today in northern Saskatchewan but we also are facing a massive US (United States) subsidy issue, but despite those challenges in the forest industry today, Mr. Deputy Speaker . . . or, Mr. Speaker, pardon me, we are making significant progress and we're undergoing growth. Growth that will help build the economy of this province to a world-class economy in the lumber industry, Mr. Speaker.

Today we have more than \$850 additional million being invested in our province. And as the third anniversary of that announcement some three years ago approaches, we've exceeded those expectations, Mr. Deputy Speaker.

To date, we have 16 projects in the forestry sector that have been completed and there are currently more in progress. Overall, these projects will result in more than \$1 billion in new investment in our province in the forestry sector alone, Mr. Deputy Speaker. And that doesn't speak to all the spinoff results of that massive increase in the forestry sector.

It will create more than 3,400 direct jobs and more than 6,700 indirect jobs, Mr. Speaker, for 10,100 new jobs in the forestry sector. Mr. Speaker, that is very, very significant.

Now, Mr. Speaker, we face a number of challenges, as I talked about, in the issue of developing our forestry industry at this particular period of time. Because in a period of uncertain futures due to subsidies and the uncertain future this year due to the extremely dry conditions in the North, we are still moving forward in developing projects in our industry . . . lumber industry and forestry industry in Saskatchewan.

I'd just like to talk about a few of those projects that have been completed over the last three years and then talk about some that are in the planning and development stage today. People may be aware that there was a \$350 million upgrade of our pulp and paper mill in Prince Albert owned by the Weyerhaeuser Company. Mr. Speaker, a significant improvement in the city of Prince Albert.

At Big River, we had \$100 million saw mill completed which resulted in 420 direct jobs and 840 indirect jobs in that area, Mr. Speaker. Hudson Bay, we have a \$220 million OSB mill completed in December 2000, resulting in 640 direct jobs and 1,280 indirect jobs in the community and area, Mr. Speaker.

Prince Albert also saw a \$24 million Wapawekka Lumber saw mill be completed which resulted in 80 direct jobs and 160 indirect jobs, Mr. Speaker.

Lac La Ronge. The Lac La Ronge Indian Band and Zelensky Brothers had a \$1 million expansion, Mr. Speaker. They doubled the capacity of their existing mill resulting in 60 direct jobs and 120 indirect jobs in the area. In Glaslyn, L&M Wood Products, \$2 million for a saw mill and a new wood treatment plant, Mr. Speaker, — 40 direct jobs, 80 indirect jobs.

And as we go throughout the industry, Mr. Speaker, we are seeing continued growth. La Loche, a new \$2 million saw mill, Mr. Speaker — 50 direct jobs, 100 indirect jobs. Independent operators . . . small operators throughout the North, Mr. Speaker, put in over \$10 million in capital investment and

resulted in 934 direct jobs and 1,668 indirect jobs, Mr. Speaker.

Other products that are just in the construction stage today, Mr. Speaker, include the Green Lake \$5 million saw mill redevelopment which will result in 40 direct new jobs and 80 indirect jobs, Mr. Speaker. Meadow Lake is seeing a \$5 million new planer mill. Meadow Lake will also see a \$220 million OSB mill resulting in 260 direct jobs and 520 indirect jobs, Mr. Speaker.

Most recently, we're also looking at an Alberta-based newsprint company that signed a letter of agreement that could lead to the development of a newsprint facility with a capital cost of over \$650 million and the creation of more than 600 new jobs. If this project proceeds, the new investment in this sector will total over \$1.6 billion, Mr. Speaker. Mr. Speaker, \$1.6 billion in investment in the forest industry, Mr. Speaker — very significant for our province.

We also have a number of projects that are in the planning stages today. Limestone Lake has a \$45 million saw mill at the Peter Ballantyne Cree Nation will result in 200 direct jobs and 400 indirect jobs, Mr. Speaker.

Prince Albert again is looking at another development resulting . . . a \$28 million development, a new saw mill expansion and finger jointer which result in 160 direct jobs and 320 indirect jobs, Mr. Deputy Speaker . . . Mr. Speaker, pardon me. This list goes on and on and on.

So, Mr. Speaker, we must talk about the good job that industry is doing in Saskatchewan developing the forest industry. And those individuals are doing more than just developing the forest industry, Mr. Speaker. They are providing jobs for northern citizens. They are providing a boost to our economy. And they are help develop the northern part of our community, Mr. Speaker.

Because what are the spinoffs for communities in having a strong forest sector? Well it's local jobs in local communities, Mr. Speaker, resulting in people remaining in their local communities, their children growing up in those communities, their children using the resources of those communities, staying in their home communities, Mr. Speaker — creating in the North a vibrant economy that helps provide opportunities for young people in the future, Mr. Speaker, things that our province very much needs and this government very, very, very, seriously wants to see occur in our northern sector, Mr. Speaker.

Now the members opposite, they always want to talk about the doom and gloom in industry in our province, Mr. Speaker. But the forest industry in the last four years, it's been nothing but good news, Mr. Speaker. But things that we can control within this province, development, working together to build an industry is working. Those things we can't control, Mr. Speaker, US subsidy issues, the weather, those things that we are not in the position to control, Mr. Speaker, are in fact hurting the industry today.

Mr. Speaker, we have a very active firefighting program in place to help deal with the challenges of weather to the forest industry in Saskatchewan, Mr. Speaker, and we spend millions

of dollars each year protecting that valuable resource, the lumber in the North, Mr. Speaker.

And we have more than 1,200 individuals involved annually in the firefighting, protecting the forest of our northern Saskatchewan, Mr. Speaker.

I would like to talk for a few minutes about the benefits of the lumber industry to Saskatchewan and in particular to northern Saskatchewan, Mr. Speaker — talking about a portion of the province where, until a very short few years ago when mining and forestry took off, it had a great deal of unemployment, vast unemployment.

What the forestry sector has done has created opportunities for those northern Saskatchewan residents to become involved in the economy, to make money, to feed their families, Mr. Speaker, because the best form of assistance in our economy is in fact a job, Mr. Speaker. So many people in northern Saskatchewan today have opportunities for jobs in the forestry sector that didn't have an opportunity for jobs just a decade ago.

And as this sector continues to develop, Mr. Speaker, we will see continued advancements of northern initiatives. We will see those communities thrive; we will see them grow. We will see their children have opportunity that just a short decade ago they wouldn't have thought they would of had, Mr. Speaker.

And today as we talk about the initiatives of the forest industry, I think it would be remiss not to talk about the other contributions the companies that are involved in our forest industry in Saskatchewan contribute to our province, Mr. Deputy Speaker.

They contribute through participating in charities. They contribute by participating in their communities. They participate by working with the government in looking at strategic directions for the industry in the province. And, Mr. Speaker, they participate by also being part of the reforestation projects in our province to ensure that we have a . . . our . . . an unending supply of forest products for the future.

As they're out taking down the trees, Mr. Speaker; as they're cutting them down and using them in the forest industry, they're also replanting trees, Mr. Speaker. And as a result of the forestry plan that we have in this province, we have a very active nursery, as well, just outside Prince Albert, run by Pacific reforestation technologies, once a British Columbia company that decided that they could come to Saskatchewan, Mr. Speaker, and build a state-of-the-art — state-of-the-art — tree nursery, Mr. Speaker, that has expanded to be one of the largest in North America.

And who would have thought just a short few years ago that Saskatchewan, which has a very . . . relatively small forest industry compared to British Columbia, would be the home of the largest nursery in Canada, Mr. Speaker? And today that nursery employs a significant number of people, all part of the forest industry in our province, part of developing for the future and maintaining the fact that we will have a forestry sector for many, many years to come.

Now, Mr. Speaker, we have a number of initiatives that come

out of the forestry sector as well. We have suppliers in the North benefiting by forest companies and their employees buying products in those home communities in northern Saskatchewan. And then through that growth, we're seeing businesses, other businesses develop in northern Saskatchewan. We're seeing initiatives in education being developed by the forestry sector to provide education and training opportunities for youth in northern Saskatchewan as a result of our forestry plan, Mr. Speaker.

And because of those initiatives, there is a future for our children in northern Saskatchewan that wasn't there a number of years ago, Mr. Speaker. And it will continue to be enhanced as we move forward on our forestry initiative.

Now, Mr. Speaker, I want to talk about what it means to create more than 10,000 jobs largely in northern Saskatchewan. It means that many, many individuals just a short . . . who just a short time ago would not have had an opportunity to be employed in northern Saskatchewan, in fact, can look after their families, can remain in those communities, can be educated in those communities, can in fact develop businesses in those communities, Mr. Speaker. And doing so means that the future for those individuals looks much brighter today than it did just 10 years ago.

(15:00)

Now, Mr. Speaker, have we done enough? We will always challenge industry and government to do more, to be more creative and to build a 21st century forestry, Mr. Speaker. But we will continue to develop the forestry in our province. We will work with industry. It's our hope and theirs as well that we can continue to grow and prosper, and that we can move ahead.

Mr. Speaker, planning will always continue with the objective of fully utilizing the province's sustainable wood supply. Examining particular opportunities means that we need to look for new uses for those products. We need to look at opportunities for hardwood and small diameter softwood lumber manufacturing. We need to move into secondary and tertiary industries in our province, Mr. Speaker.

But those are all things that we want to do together. We want to build a forestry and secondary and tertiary industries around the forestry sector in our province, and it's to all our benefit to do so.

And those individuals and companies who have been the drivers of this in our province, Mr. Speaker, should be commended because they have done a yeoman's task for our province.

So, Mr. Speaker, it's with a great deal of pride that I second the motion that the member from Cumberland made, and that I believe we should all thank those for making such a great progress in our forestry sector over the last number of years and for attracting new jobs and investment of more than \$1 billion in the last three years.

And, Mr. Speaker, with that I would second the motion made by the hon. member from Cumberland.

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

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. It's my pleasure to speak to the motion as put forward by the member from Cumberland.

I'm glad to read in the motion, Mr. Speaker, that it reads, congratulate the forest industry. Because I think if the government was going to attempt in any form or fashion here, Mr. Speaker, to take any credit whatsoever for anything good that's happened in the forest industry, that would be a tad disingenuous.

Because if we were to go back in history a bit, we were to look at the NDP election platform in September of 1999, I mean we would see where they had promised to create 10,000 jobs in the forestry, 30,000 jobs overall.

Well, Mr. Speaker, we all know now where that record stands. And sadly, Mr. Speaker, each month we are reminded by StatsCan as to which direction those numbers are going. And the latest figures, Mr. Speaker, show our province has lost over 19,000 jobs for people between the ages of 15 and 44.

And once again, I mean, we're losing our best and our brightest, Mr. Speaker, our young people leaving the province. And, Mr. Speaker, this actually is something that I see at a very personal level very often because as a marriage commissioner I am asked to perform marriage ceremonies for some of these young couples throughout the province. And I guess it's very frustrating for me that, you know, upon meeting with a couple prior to the marriage ceremony and asking what their plans are, you know, what I'm hearing more and more now, Mr. Speaker, is that those plans include leaving the province.

And I know in one case in Hudson Bay last summer I did a ceremony and in talking to the couple they indicated that they were going to be going to Alberta. And a week or so later I ran into the gentleman who had been the groom's best man and he had decided as well. So over the course of a single week, Mr. Speaker, we had lost 50 per cent of the wedding party to Alberta.

So I certainly don't think the government can take any credit whatsoever for any kind of positive developments that have occurred in the forestry industry, Mr. Speaker. As a matter of fact if anything, if we look at the areas of the forestry industry where they have meddled, we will see that in fact those have not been positive experiences.

And I'm sure, Mr. Speaker, you will remember the government's involvement in Hudson Bay through Crown Investments Corporation, Sask Forest Products, and now as you are well aware the situation has changed and all of the facilities in Hudson Bay are now owned by Weyerhaeuser. But the facility that had been owned by Crown Investments Corporation through the provincial government and was part of the original transaction, if you will, Mr. Speaker, the old OSB mill in Hudson Bay, has now been closed.

And, Mr. Speaker, that is directly as a result of the government's meddling in an area where they had no right to be meddling and their need to politicize the forest industry in this province, probably to a greater degree than any other industry has been politicized in this province.

You know, Mr. Speaker, I will never forget in April of 1999 when the announcement was made — or I believe it was made, Mr. Speaker — the announcement was made about the new OSB mill in Hudson Bay. The citizens of the community were treated to quite the show: a number of planes landing at the local airport, I believe it was five cabinet ministers arriving in the local arena in Hudson Bay, and the schools being asked to send the students over to the arena in order to fill it to capacity to provide an audience for the cabinet ministers.

And interestingly enough, Mr. Speaker, I still get calls about that to this very day, about how there are parents who are very resentful that their children were used as part of the NDP propaganda machine.

But I guess what was really frustrating about that is the day of the announcement I think if you listened very closely to the industry people, they were very forthright about what their plans for the community were. They were very honest about the fact that this new OSB mill at some point down the road was probably going to displace the old mill.

But that was not true of the cabinet ministers and the various representatives of the NDP government that were there that day, Mr. Speaker. And just last Saturday I had an opportunity to visit with a couple of people in Hudson Bay, and they reminded me again that from that day forward until the day that the closure of the old OSB mill was announced in Hudson Bay, that this government and those cabinet ministers who had been in attendance left people with the impression that that mill would be around for 10 years.

And I think not only did they mislead the community, Mr. Speaker, but they created a level of expectation that when the industry followed through with what had been their understanding of the situation, people were understandably very, very hurt and very, very disappointed.

But I guess that brings us to today, Mr. Speaker, and it looks like that mill will be closed. All that remains now is to decommission and demolish the facility. But the new OSB mill is in fact up and running. It appears to be running at about 80 per cent capacity. The plywood mill is still operating and from what I understand, Mr. Speaker, the company is very pleased with the state of the operations there.

And I also understand, Mr. Speaker, that in the last while there have been a number of other private sector companies from Manitoba and other provinces who have been visiting Hudson Bay with a view to perhaps establishing some hardwood operations there over the course of the next while.

And, Mr. Speaker, I can only say that I hope in those cases that if those companies are willing and interested to get involved in the community of Hudson Bay, that they leave that to the community and to those businesses, and that they don't get involved or interfere in a way that will be detrimental in the long term.

Now, Mr. Speaker, the forestry industry certainly has had its share of challenges over the course of the last few years. And now suddenly we are faced with the softwood dispute and the member from Regina Dewdney referred to the dispute and its

impact on the industry and the province, Mr. Speaker.

And I guess it's interesting that I come from a constituency that will be feeling the effects of both of the events that are going to have the greatest impact on this entire province over the next, possibly number of years. And in my constituency, Mr. Speaker, we're going to feel the effects of the American farm Bill and we are equally going to feel the effects of the softwood dispute.

Because I would guess that in the constituency of Carrot River Valley we probably have probably one of the closest ratios of agriculture and forestry activity in the province that there is in any constituency. And I know that we are going to feel the effects of this in terms of employment and perhaps a lot of the economic kind of impacts that, in a way, may not be felt across the entire province.

But with the softwood dispute, Mr. Speaker, I think that we need to make sure that everyone understands that we are giving it a profile equal to that of agriculture because the impacts are potentially as devastating. And I know that, you know, certainly through the Minister of Justice and another of ministers on the government side, they have been involved in the negotiations and they have been attempting to represent the interests of the province and the industry at the bargaining table.

But I think, Mr. Speaker, that it's gotten to the point where we are going to have to take some drastic action and we are going to have to raise the profile of the whole dispute perhaps to another level in order that . . . I think firstly, Mr. Speaker, in order that the people who will be affected understand that we are aware that — as members of the Legislative Assembly — that we are all aware of the harmful effects of the softwood dispute and that we are all as well committed to moving forward on this and to solving the dispute.

And, Mr. Speaker, as the Environment critic for the official opposition, quite frankly I would like to see an effort similar to that that has been put forward in the area of agriculture. I would very much like to see a concerted effort at the legislative level here in Saskatchewan, a united effort. And then I would very much like to see that effort expanded to include our neighbouring provinces as well because certainly there is going to be some very harmful effects and we've already seen those. We've seen those. We've seen saw mills have to announce the layoff of employees in this province already as a result of the dispute.

Our caucus has had the opportunity to meet with representatives of a number of different companies and they're providing us with various scenarios in terms of options that they have open to them if the dispute isn't resolved. And I should inform you, Mr. Speaker, that none of them are pleasant options — that if this dispute isn't resolved fairly quickly, we will be seeing a lot of negative impact shortly.

And I guess when I look at the way that you know one could possibly describe it, I look at the way it was described by a Weyerhaeuser official not too long ago and he refers to it as a black day, Mr. Speaker, the day that the ruling was made and that the duties were imposed.



And I would very much, as I say, Mr. Speaker, like to see us all take the effort and take the time to get to understand the issue in a way that we can develop the same effort around it as we are around dealing with the negative impact of the American farm Bill.

And we've got Wapawekka Lumber in Prince Albert saying, Mr. Speaker, that possibly as many as 50 people will lose their jobs there. Zelensky Brothers in La Ronge have announced some layoffs. And I mean we've got entire communities that could be affected. And not just you know smaller communities scattered throughout the province, but there are some large cities, Mr. Speaker, that are affected very directly. And I believe that your hometown, Mr. Speaker, is one of those.

(15:15)

Prince Albert mayor, Don Cody, states in the March 23 edition of the Regina *Leader-Post* that the:

... tariff will make it virtually impossible for ... (the industry) to operate and (that) will result in the loss of ... employees and worse than that, these industries may never come back ...

And I guess, Mr. Speaker, when you put it into that context, that if we aren't proactive in terms of wanting to address the issue and if we aren't proactive in terms of trying to meet the needs of the communities that are going to be affected, Mayor Cody, his words could prove prophetic and that is, is that these industries may never come back. And I think we have to do everything within our power, Mr. Speaker, to make sure that that does not come true.

Bottom line, Mr. Speaker, is that as a result of the challenges that have been faced by the forestry industry, we do have a scenario whereby they aren't probably able to grow and expand to the degree that they could or that they would like to. And we continue to lose young people to other provinces and we continue to not have the economic growth that I think is certainly possible.

But having said all that, Mr. Speaker, the forestry companies have, I think they have done very, very well in managing to hang in there, if you will, and they have in a lot of communities, they have participated very strongly in the development of that community and they've done the absolute best that they can.

The other issue that has faced the forestry industry, and this is something that once again was just confirmed again today in a meeting with representatives of a forestry company in this province, is that as well as this government's tendency to meddle where it shouldn't, as well as the softwood dispute, the other thing that seems to have caused a great deal of consternation in the forestry industry in the last, in the last number of years — and this isn't just unique to the forestry industry, Mr. Speaker, this is probably unique to pretty much any business in Saskatchewan that you talk to — but is, is their ... the regulatory impediments and the regulatory nightmare that they tell us that they have to deal with.

Now certainly everyone understands that they ... the forestry industry, as any other industry, needs to be regulated and that

regulation is something that government does in the best interests of its citizens and keeping them safe. But when it gets to the point, Mr. Speaker, where you end up with duplicating, overlapping, contradicting, conflicting regulation — and I should probably add in there just plain confusing, Mr. Speaker, as well — when you get to that point, I mean it ends up just stifling, stifling a lot of the development that could be happening.

And I think in the case of the different companies that we've spoken with, Mr. Speaker, some of the regulatory requirements that they're being asked to meet in the last little while, they certainly aren't saying, you know, it's something we don't want to do, but if you could just help us to figure out why it is that you feel that it's necessary and what the end result is. But when they ask that question, Mr. Speaker, the government can't provide an answer. And they get the feeling that they're spending a lot of money in trying to comply with some of these regulatory requirements and they don't see the long-term benefit in it.

And as a matter of fact, there are forestry companies in this province, Mr. Speaker, that I know who can actually attach cost figures to the various regulatory requirements that they must abide by. And some of those are extremely costly and in some cases, Mr. Speaker, one could almost say exorbitant.

But even at that, if there was a very clear purpose and if one could easily understand the end result, then I think it perhaps would even be easier to accept the cost factor. However, it's very, very difficult to understand how it is that some of these companies are expected to spend these huge amounts of money in complying with these regulations. But at the end of the day, what's to be accomplished?

And if, in the case of the sample ... the scale sampling project, Mr. Speaker, if at the end of the day the money is ... or the information is gathered and it's submitted to government, and it ends up not being used in any productive or constructive way, then why would the companies want to be spending this money and why would the government want to waste not only their money but the time of the department in collecting it?

And I think if we could get to a point where we could be assured that this information was going to be used in a way that in the long term the industry would benefit and all of the stakeholders would benefit, then people might find it a little easier to swallow the cost.

But the other issue, Mr. Speaker, that we understand is the environmental monitoring program. And I guess even though industry has asked, government has been unable to respond. They would like some answers.

What exactly is the environmental monitoring program? What exactly are the different provisions of the program going to be? What is it that the companies are going to be asked to do? And what purpose will the program and the information that's gathered from that particular program serve in the end?

So I think, Mr. Speaker, if we could get to a point where we could solve some of the larger international issues around the softwood dispute; if we could allow the private sector to be able

to make the decisions that they need to be able to make in order to be successful; if government would stop meddling in a way that just simply restricts the industry's ability to be able to move forward and to expand; and if we could get the regulatory nightmare that they have to live with, if we could get that cleaned up, Mr. Speaker, I think that those are probably a number of things that would allow the forestry industry to be able to move forward and to do a lot more great and wonderful things in this province.

Mr. Speaker, one of the things that the member from Cumberland talked about when he was moving his motion was the Aboriginal involvement in the industry. And I think that in some ways he made the comment that the partnerships that have been established are groundbreaking and that we are ahead of a lot of other provinces in that respect.

And I think, Mr. Speaker, in a number of ways he certainly is correct about that. However, I think there are a couple of issues that need to be dealt with here. And one is, is that there were a lot of partnership agreements in place in this province long prior to this government being on the scene, Mr. Speaker. As a matter of fact there was a previous administration that sold NorSask to the Meadow Lake Tribal Council and I think we need to remember that. I think when it comes to a lot of these partnerships and agreements and that sort of thing, this isn't something that this government came up with. This isn't something that's unique to them. I think it perhaps is unique to Saskatchewan but it certainly is not unique to them. And when you look at Wapawekka and the operation there, I mean, that was in progress and announced long before the April 26, 1999 announcement.

And, Mr. Speaker, I think that if you were to talk to the First Nations community and the Métis community, I think they would tell you that they have made a lot of recommendations and they've made a lot of suggestions around developments in the forest industry where we could be a lot further ahead than what we are now. But they will also tell you that in a lot of instances a lot of those suggestions, a lot of those ideas, fell on deaf ears. And I think we have a pretty dynamic forestry community that is completely agreeable with the idea of partnerships and of looking at doing new and different . . . doing things in new and different ways. But I mean we need the government to be able to look at things in new and different ways as well.

Now in the case of Wapawekka for example, I mean Weyerhaeuser owns 51 per cent, and as the member from Cumberland indicated, the Peter Ballantyne Band owns 49 per cent. There's a buyout agreement, Mr. Speaker, that if Weyerhaeuser is in a position of buying out the partnership it would pay 110 per cent of the value at some point down the road. If Peter Ballantyne is a . . . is in a position to be able to buy it out, they will buy it out at 90 per cent of its value down the road.

And Weyerhaeuser, through that partnership and through their involvement in the community, Mr. Speaker, have a tremendous amount of respect within the First Nations community and they're viewed very, very positively for a lot of the initiatives that they have taken. And the . . . as a matter of fact, Mr. Speaker, the wood supply for the . . . for Wapawekka comes out

of Weyerhaeuser's existing forest management agreement.

One of the observations that I've had made to me, Mr. Speaker, is that we have a number of conflicts, both I think interjurisdictionally within the province but between the province and federally that sometimes don't allow some of these partnerships and maybe some of the new and innovative things to happen in a way that they could.

And one of the relationships that I understand is particularly combative is the relationship between Saskatchewan Environment and Resource Management and Indian and Northern Affairs Canada. I know that Indian and Northern Affairs Canada, they've put proposals together with First Nations to explore different forestry investments, the viability of different forestry investments throughout the province. And, you know, they'll tell you almost every time, Mr. Deputy Speaker, that those proposals are confounded by Saskatchewan Environment and Resource Management.

It seems they get the proposals in and right away there's regulatory change, there's criteria change, there are things that just somehow seem to be deliberately put in the way of the proposals to thwart them. And that hasn't fostered a very positive relationship, Mr. Deputy Speaker.

And as I understand it, we have some excellent First Nations consulting firms in the forestry industry, in the environmental services industry; some people who have all sorts of expertise and ability but they have a hard time sort of cracking that old boys' network, if you will, of friendships.

And we heard again today how this government operates only with its closest friends and the relationships have to be very special, if you will, in order for someone to be able to get a contract or to . . . in order to have a relationship with this government.

And I understand that there are a number of firms that are having some difficulty in terms of getting their abilities recognized and the skills that they can bring forward to the forestry industry recognized. But, Mr. Deputy Speaker, they certainly would bring a perspective from the First Nations community that might help us move that next couple of steps that we need to go in order to be able to expand and enhance some of those partnerships that the member from Cumberland was talking about.

I think that, you know, we've also got opportunities that we miss on occasion, Mr. Deputy Speaker. Indian and Northern Affairs, the federal economic development fund has \$175 million for investing in First Nations projects in Canada. And with Saskatchewan's First Nations demographics and the Indian and Northern Affairs Canada development strategy, we've had over \$50 million — I'm sorry, excuse me, Mr. Speaker, my mistake — over \$30 million per year allocated to economic development projects in Saskatchewan.

(15:30)

But Indian and Northern Affairs only invests in projects that are initiated and that are championed by First Nations groups and which result in First Nations partners having the economic

development activity and that provides employment and capacity building.

And it's really interesting, Mr. Speaker, that right now, at this point, there's 15 million of the federal economic development fund monies allocated to northern Saskatchewan and there are \$15 million allocated to southern Saskatchewan. But from what I understand, Mr. Speaker, we haven't been able to access any of that money in this province whatsoever. We haven't gotten any of the \$15 million allocated to northern Saskatchewan, any of the \$15 million allocated to southern Saskatchewan, haven't got any of the \$45 million that's allocated in total to the province of Saskatchewan.

So I think perhaps, Mr. Speaker, if this government is genuinely interested in seeing the forestry industry succeed, then I think we may want to do a number of things. One is that we may want to raise the profile of the softwood dispute. We may want to take that to another level, perhaps even to the level that we took the American farm Bill to, Mr. Speaker, in terms of getting all of the political leadership within the province together and united in terms of the approach that they're going to take and then expanding that to other . . . perhaps other provinces as well, Mr. Deputy Speaker.

The other thing that I think the provincial government could do is they could look at removing some of the regulatory impediments that still certainly exist in this province and that are hampering the forestry industry from developing in other ways and perhaps even in other communities, Mr. Deputy Speaker.

I think the other thing, Mr. Deputy Speaker, is that the provincial government could also try and just resist the urge to keep politicizing the forestry industry. It just seems that that is just something that the NDP can't resist doing.

For some reason the forestry industry, on their part, seems to be some huge political opportunity as opposed to an economic opportunity, and if there is anything that has undermined the forest industry in this province, Mr. Deputy Speaker, that's what it is, is the NDP's need to meddle politically in an industry that they know little or nothing about.

And I think the other thing, perhaps, that the government could do is start working at establishing better relationships with other jurisdictions where resources, where expertise is available, and that could be used in terms of better developing the industry here in the province.

Now, Mr. Deputy Speaker, with that I still feel, however, that the forestry industry from its humble beginnings . . . And I think if you, you know, you look at what we have in this province today and you look at some of the large operations that we have in Hudson Bay and Prince Albert, it's pretty easy to forget that the forestry industry in this province actually had some pretty humble beginnings.

I mean we're talking about small, little logging camps that were set up in the bush, miles and miles away from anywhere where, you know, almost all of what would be the mechanical work now was done by horses.

And I know as a small child, Mr. Deputy Speaker, I used to sit in my dad's barber shop and I used to listen to some of his elderly customers tell stories about the logging camps and how every small town was a point for gathering the wood, and how everybody at some point or another, you know, when the industry was just starting up, was either involved in the falling of the timber or the sale of the timber or . . . I mean, it was in a lot of ways I think, Mr. Speaker, it was as much a culture of this province and has become very much a part of the culture of this province as anything is. And we've certainly gone from there to what we have today in terms of a large vibrant industry with technology that is far beyond anything that anyone could have imagined back in the days of some of those fellows who used to sit around and tell stories in the barbershop, Mr. Deputy Speaker.

And given, certainly, given all of the difficulties that they have managed to face, I think we should also remember that there are a lot of people involved in having developed the forestry industry not just the companies, but there are the communities. There was all of the work that went into the people . . . into the attracting of those companies to those communities. And I mean, this has become very much a part of the lifestyle that we live in this province, Mr. Speaker. With that, I will turn over to my colleague from Saskatchewan Rivers.

**Mr. Wiberg:** — Thank you very much, Mr. Speaker. It's a pleasure to get up this afternoon and make a few comments on the motion brought forward by the member from Cumberland. It's certainly timely at this time of the year, with all that's going on in the softwood lumber throughout the world and certainly in North America, that the member from Cumberland has brought a motion to congratulate the forest industry.

Certainly, we want to do that on this side of the House. We try to do that on a fairly regular basis; meet with the shakers and movers in the forestry industry,

Mr. Deputy Speaker, to let them know that, on this side of the House, we don't want to just make motions and just talk about it in the House, but we want to do it on a more personal level too, to congratulate the forest industry for all they've done in the province, for the jobs that they've created, for the investment that they've brought to this province, and the benefits that accrue from that, Mr. Deputy Speaker — the royalties that are paid, certainly the corporate taxes that are paid, the personal income taxes that are paid that contribute to the provincial coffers, to help to bring to the province of Saskatchewan all those benefits that we hold near and dear to our heart.

More specifically, health care in this province. On this side of the House, we certainly hold health care very dear. And certainly education, it helps to fund education in this province, Mr. Speaker, and we hold that very dear on this side of the House. And certainly for the investment that can be brought to the province because of the benefits from forestry, Mr. Deputy Speaker, to infrastructure. To infrastructure, Mr. Speaker, be that the Department of Highways or the Department of Intergovernmental Affairs . . . or Government Relations, pardon me, Mr. Deputy Speaker. So that we can have the amenities, Mr. Deputy Speaker, that we so very much appreciate in today's society. And a lot of that, Mr. Deputy Speaker, can be

contributed to the benefits that are brought to Saskatchewan society because of the investment by the forest industry in the province of Saskatchewan.

Now as we take a look at forestry and forestry practices throughout the province of Saskatchewan and the benefits that had been brought throughout Saskatchewan, I certainly want to recognize in my area of the world the benefits that have been brought to the constituency of Saskatchewan Rivers. I know the member from Carrot River Valley was very clear to the Assembly — and appropriately so — that the benefits that Carrot River Valley constituency has received from the forest industry over many, many decades, Mr. Deputy Speaker, actually going back as far as the 19th century in the area of Carrot River. The Carrot River Valley constituency has benefited from forestry. Forestry has been a big part of the province of Saskatchewan.

In fact just as a quick aside, it's interesting to note at this time that at the turn of the, turn of the 20th century — the turn of the 20th century, Mr. Deputy Speaker — in the year 1900 that the, at that time, the town of Big River, in 1900, had a population of 5,000 — 5,000, Mr. Deputy Speaker. That's an amazing number when you stop and look back at the history of Saskatchewan at that time.

It was arguably one of the biggest communities in the province and certainly when you take a look at the community of Big River today and the great penance that has been paid by that community because this province has decided to have an NDP/CCF (New Democratic Party/Co-operative Commonwealth Federation) government for almost 65 years, Mr. Deputy Speaker, it brings a sad note to this debate knowing that the town of Big River in the year 2000 — 100 years later, 100 years later, Mr. Deputy Speaker — has a population of now less than 900.

That's a sad commentary on today's society that the forest industry has suffered greatly under this NDP government.

But still, the forest industry, the industry itself, has faith in Saskatchewan. They still keep trying to come here despite, despite all the barriers that are put into place by this present NDP government, and certainly their predecessor, the CCF, under the former member from Weyburn, Tommy Douglas. It is a sad commentary that the forest industry have suffered to the extent that it has in the last many decades since 1944.

Mr. Deputy Speaker, my constituency of Saskatchewan Rivers certainly plays a large role and receives a lot of benefits from the forest industry. There are hundreds of families who benefit from forestry in my constituency, Mr. Deputy Speaker. There are many, many people in my constituency, Mr. Deputy Speaker, who work at the pulp mill in Prince Albert, for the Weyerhaeuser pulp mill, Weyerhaeuser pulp and paper. It brings many good jobs to the constituency and we certainly in Saskatchewan Rivers appreciate that very, very much.

Also, Mr. Deputy Speaker, there are other forestry . . . forest industries in Saskatchewan Rivers that receive benefit from forestry operations in Saskatchewan. Inside my constituency is the . . . is the forest industry leader, Carrier Lumber based out of Prince George, British Columbia that bring a lot of jobs to the

Prince Albert area, many of them inside my constituency, Mr. Deputy Speaker. Very good paying jobs by a company that is a very good corporate citizen, as is Weyerhaeuser, as is also Weyerhaeuser too, Mr. Deputy Speaker; two very good corporate citizens inside the constituencies where I, where I live, the area of Saskatchewan Rivers and of course the Weyerhaeuser is inside the city limits of Prince Albert. And they too are a very good corporate citizen, Mr. Deputy Speaker.

They bring a lot of assets to the city, a lot of investments into the city. They do a lot of investment in the community itself. They are a major, major contributor to the new arts centre that is being built as we speak, Mr. Deputy Speaker. On a day like today when it's . . . we're in the House and it's almost 30 degrees Celsius outside and as we speak the new arts centre is being . . . is going up nicely in the city of Prince Albert. And certainly Weyerhaeuser was a very large contributor to that project. And we certainly . . . and the city . . . the people of Prince Albert and the surrounding area in the constituency of Saskatchewan Rivers appreciate that kind of commitment.

And again, Carrier Lumber is also a major contributor in helping out with those kind of projects, certainly not to the scale of a Weyerhaeuser but they're quite willing to be a good corporate citizen, a good corporate citizen, Mr. Deputy Speaker, in the Prince Albert region, and we certainly appreciate that.

My history, of course, with forestry goes back a long, long ways, Mr. Deputy Speaker. My grandfather was in the forest industry. In fact at the turn of the last century, in the year 1900, my grandfather moved from Ontario to the Minnedosa area of Manitoba, and that's what the family was involved in there at that time.

(15:45)

At a very young age, a very young age then, Mr. Deputy Speaker, my grandfather learned the logging industry and after they left there and moved to Saskatchewan and spent some time in southern Saskatchewan until the early 1930s when the land was unable to sustain the size of family that was situated on their land, and he decided to move north. And moved north into an area north of Prince Albert that was again more forested. Again he took up some logging on a scale to help sustain the family farm.

And so my history in forestry certainly goes back a long, long ways, Mr. Deputy Speaker. I'm very proud of my family's involvement in forestry and the way forestry has treated us, in allowing us the opportunities to be able to stay in Saskatchewan.

Because forestry certainly has done that, Mr. Deputy Speaker. It has allowed our young people to stay in Saskatchewan to some degree, although more people are actually leaving Saskatchewan than are staying, which is unfortunate. But forestry has tried in its own way to be able to allow people to stay in Saskatchewan.

And from my family's perspective and going back as far as my grandfather, we certainly appreciate the opportunities forestry has brought to us. And we want to say a big, heartfelt thank you to the forest industry for all that they've done for all of us in the

Saskatchewan Rivers constituency.

Now certainly when we look at forestry, Mr. Deputy Speaker, it ranges far and wide. In my constituency there's very, very few communities that are not affected by the forest industry. Certainly the large part of my constituency is north of the Saskatchewan River, the North Saskatchewan River and the Saskatchewan River.

And almost everyone there in that area of my constituency, Mr. Deputy Speaker, is affected by forestry, almost everyone is affected by forestry in many forms. There are many small saw mill operations that go on in my constituency, Mr. Deputy Speaker.

They operate either through private forest opportunities or they get small tracts in the provincial forests so that they can help provide some career opportunities for local people, and also to be able to supply lumber, Mr. Deputy Speaker, to the markets in Saskatchewan and some of them even outside Saskatchewan.

I have neighbours, Mr. Deputy Speaker, who have, in their own small saw mill operations, have sold product as far south as Colorado. And we sure appreciate the fact that forestry allows the opportunity for people from Saskatchewan Rivers to be able to do commerce with our large neighbours to the South. And forestry does a lot of that for us.

It's almost impossible, Mr. Deputy Speaker, to count the small saw mill operations that go on across my constituency. I can start on the east side at the small community of Love, where there's two small saw mill operators there, either getting logging material from private lands — they do quite a bit of that, Mr. Deputy Speaker, through appropriate management of farm woodlots — that's one thing we're very proud of in my constituency is the management of the small farm woodlots. But they also at different times have, through the Department of Environment and Resource Management, have gotten small tracts — not very large, Mr. Deputy Speaker — but small tracts in the provincial forests so that they can continue to operate their saw mills on a regular basis.

And when they do that, Mr. Deputy Speaker, they require help from the local community. And so they provide jobs for young people in the area. And so the people from Love, Saskatchewan certainly appreciate the fact that these smaller saw mill operators are able to, Mr. Deputy Speaker, bring some jobs in their own small way to their communities and help keep a few people in Saskatchewan.

As you know very well, in the area of the eastern side of my constituency, Mr. Deputy Speaker, that there are a lot of young people from the area of Love that have left the province. They've either gone to Manitoba — it's far enough east that some of them go to Manitoba and it's hard to believe that with an NDP government there, there are still people leaving this province going to Manitoba — but most of them, most of them, Mr. Deputy Speaker, go to Alberta. They just find that their life is better there. It's unfortunate. I don't know if life is better there or not but there are more job opportunities in Alberta. And certainly that's a great loss to the community of Love when that happens.

Certainly over in the Choiceland area there are about three small saw mill operators that live in that Choiceland area. Some of them get saw timber in the northern provincial forests. Most of them though, are able to get their saw timber in the Fort a la Corne Forest. And of course, Fort a la Corne Forest, Mr. Deputy Speaker, as you're well aware, has become quite famous throughout Saskatchewan. And certainly in the mining world, the Fort a la Corne Forest is quite well-known in the mining industry because as, we all know, that there's been two massive diamond finds there that we're hopeful someday will be viable operations, and help in their way to contribute to growing Saskatchewan by 100,000 people in the next 10 years.

But these people in that . . . that log in the Fort a la Corne Forest are finding a great deal of discomfort at trying to log at this day and age, Mr. Deputy Speaker. They are being forced — being forced, Mr. Deputy Speaker — by the government to change their operating practices, their management practices. Not their logging practices. The government seems to be moderately pleased — this NDP government, Mr. Deputy Speaker — moderately pleased with how their logging practices are going, but their management practices they want them to change.

These have been successful — small saw mill operations that have filled a very unique niche in today's world markets for lumber, Mr. Deputy Speaker, it's unfortunate that this government would literally force them — literally force them — out of business, because that's what many of these small saw mill operators who operate in Fort a la Corne Forest are looking at. They're looking at having to maybe move their operations to another provincial jurisdiction which would be extremely unfortunate. We lose that investment that they've brought to this province. We lose those jobs that they bring to this province. And just as importantly — just as importantly — Mr. Deputy Speaker, we lose a contribution to society.

These are also good corporate citizens. They're also good personal citizens of their community. They help with community events in their communities. They help invest in their communities.

Certainly you take the village of Smeaton has built a personal care home and formed a new gen co-op. And it's businesses such as these small saw mill operators that help bring financial stability to these new endeavours, so that the people from Smeaton and surrounding district can have their mothers and their fathers who have reached that stage in their lives where they need a little more quality care can stay in their home communities.

But if we lose these good corporate citizens, Mr. Deputy Speaker, we lose a valuable, a valuable asset, Mr. Deputy Speaker in our communities to help sustain, help to sustain these social programs that are so desperately needed in modern society.

Certainly we recognize that society not always, not always supported their senior family members as well as they could have, but today we've certainly become much more cognizant that it is our responsibility to do so. And the small forestry operators are a big part of helping communities to be able to sustain these kind of, these kind of small operations in their villages and towns in order that, in order that their family,

senior family members can enjoy a quality of life that they may not have been able to enjoy in past times.

And as we continue to look at my constituency, Mr. Deputy Speaker, we notice that even if we continue to move west, we can move up into the Candle Lake area of the province. And certainly Candle Lake, many of these people will know, is an extraordinary beautiful area, an extraordinary beautiful lake with miles and miles of beaches and a great resort area. But it also sustains, it also sustains an industry there also, Mr. Deputy Speaker, and that's the forestry industry.

There are small operators that operate near Candle Lake. They make their home in the Candle Lake community in the resort village of Candle Lake, and in the close proximity. They operate their small logging industries. And certainly it is of great benefit to those communities. Those people again bring jobs and they bring investment. They need to hire some of the local young people to operate their small saw mills. And on a year-round basis they need someone to supply the timber to them, so they need someone operating in the Northern Provincial Forest to supply their timber. And again it brings jobs, Mr. Deputy Speaker.

But, again, they are facing the same problem as those people in the Fort a la Corne Forest. The government is forcing them to change their management strategies and it's providing a great deal of disconcertment with those people, because all of a sudden now they have to realize that what's going to happen is that the small profit margins that they're realizing are going to have to be shared with someone else who is not going to be a . . . not going to take any significant role in the risk and the risk management of the company, but they're going to have to share those profits anyway.

And that's really unfortunate, Mr. Deputy Speaker, because without some sort of profit in the forest industry, what we're going to see is that these small saw mill operations are going to have to take a hard look at whether Saskatchewan's an appropriate place to do business.

And certainly they want to stay here. They believe in Saskatchewan as we do on this side of the House. As we notice day after day that those members on this side of the House, there's certainly a lot more enthusiastic about the opportunities . . .

**The Deputy Speaker:** — Why is the member for Battleford-Cut Knife on his feet?

**Mr. Peters:** — Leave to introduce guests, please.

Leave granted.

### INTRODUCTION OF GUESTS

**Mr. Peters:** — Thank you, Mr. Deputy Speaker. I'd like to introduce to you and through you, sitting in the east gallery, and the one in the wheelchair, from Macklin School. They're grade 7 students and they've driven all this way. So I would like you to welcome them here, with a bunch of chaperones and teachers.

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

### PRIVATE MEMBERS' MOTIONS

#### Motion No. 11 — Development of the Forest Industry (continued)

**Mr. Wiberg:** — Thank you very much, Mr. Speaker. And it's certainly very nice that everyone agreed to allow the member from Battleford-Cut Knife to introduce his school group because we certainly appreciate having them here observing the proceedings this afternoon and having them to be able to listen for a few minutes in on the debate on forestry. I know it's some very titillating conversation has taken place here today and certainly I want to keep that alive.

And so, Mr. Deputy Speaker, as we continue looking at the community of Candle Lake and the benefits that forestry brings into that small area of the province in my constituency of Saskatchewan Rivers, forestry is very significant in that community and the jobs it provides and the young people there and the benefits that are brought to the community.

I know the community at this time is trying to bring to their community a few more permanent facilities that will enhance community living in the city . . . in the resort village of Candle Lake. And certainly those people that are involved in the forest industry are very pleased, very pleased, Mr. Deputy Speaker, that . . . to be able to contribute, be able to contribute to enhance the quality of living in Candle Lake, and those people involved in the forest industry are a significant part of that.

I recently attended an event in the resort village of Candle Lake sponsored by the Candle Lake Recreation Association where they are, as we speak, Mr. Deputy Speaker, helping to enhance the community living in the resort village of Candle Lake by building a curling rink, by building a curling rink, Mr. Deputy Speaker. And certainly those businesses involved in the forest industry appropriately and with good corporate consciousness, Mr. Deputy Speaker, stepped to the plate and helped to contribute in a . . . to a large degree in making the fundraiser a huge success.

And we want to applaud those type of businesses for the help that they bring to communities such as the resort village of Candle Lake. And whether it's the resort village of Candle Lake or certainly the village of Smeaton or the town of Choiceland and again the village of Love, is that these communities certainly appreciate the good corporate consciousness of the saw mill operators and the contributions that they bring . . . the contributions that they bring, Mr. Deputy Speaker, to their communities.

(16:00)

But again we need to continue moving farther west. And certainly through my old stomping grounds, the village of Paddockwood where I was born and raised and raised a family there myself and continue to own farm land there, Mr. Deputy Speaker, is that some of my neighbours . . . and actually there are a few neighbours there who have small saw mill operations. Some of them are full time, year-round, and bring much benefit to the community. Some of them are smaller, help to subsidize

their farm operations which they appreciate greatly, Mr. Deputy Speaker.

But again they do more than just that. They do more than just that. These small saw mill operators certainly bring an opportunity for young people in the community of Paddockwood to stay there, to stay at home and not have to move to Alberta, to stay there and work and maybe help to move towards a career in farming. And it gives them a chance to develop a . . . do some skill development in the area of logging and so then it becomes very important that these small saw mill operators remain viable.

And certainly some of the practices of the NDP government lead us to conclude that they're not as enthusiastic about viability for small saw mill operations in this province as those of us on this side of the House.

**The Deputy Speaker:** — Why is the member for Canora-Pelly on his feet?

**Mr. Krawetz:** — Mr. Deputy Speaker, with leave to introduce guests.

Leave granted.

#### INTRODUCTION OF GUESTS

**Mr. Krawetz:** — Thank you very much, Mr. Deputy Speaker. And I want to thank the member for Saskatchewan Rivers for allowing me to introduce to you and to all members of the House, a group of students that have just arrived in the east gallery from the community of Foam Lake, specifically the grade 5 students from Foam Lake Elementary School. I know they have a busy time for the entire day and in fact have arrived a little bit late.

But I want to thank their teachers, Mr. Jim Hack and Ms. Ruth Gislason, for bringing the students. It's been a custom here, Mr. Deputy Speaker, that we do get the grade 5s to the Legislative Building from Foam Lake I think on an annual basis for the last number of years, and it's an opportunity for them to see the work in the legislature, as well as to see other sightseeing things in the city of Regina.

So I'd ask all members to join with me in greeting the grade 5 elementary students from Foam Lake, Saskatchewan.

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

#### PRIVATE MEMBERS' MOTIONS

##### Motion No. 11 — Development of the Forest Industry (continued)

**Mr. Wiberg:** — Thank you very much, Mr. Deputy Speaker. And again, I want to congratulate the young children for being here today to listen to this riveting debate on forestry in Saskatchewan.

Mr. Deputy Speaker, I want to continue on talking about the opportunities in the area of Paddockwood, my home village, where forestry again plays a role in the development of the

community.

Mr. Deputy Speaker, again I want to remind everyone that the small forestry operators, the small saw mill operators in the Paddockwood area, again very good, very good corporate citizens, have a very good corporate conscience, are very concerned about their communities and they're willing to, willing to help in very large ways to help to contribute to their community and ensure that the community remains active and viable, not only for us now and for our children now, but for our grandchildren and our great-grandchildren. And certainly the forest operators in Paddockwood are very good at that. They help in many, many ways. And we certainly want to congratulate them and we appreciate, and we appreciate ever . . . very much what they do to help with the community of Paddockwood in enhancing its community living there.

As we continue looking at my constituency north of the North Saskatchewan River, again as we move farther west . . . And again, at this point, we can start to move south because as we move to the Highway No. 2, there's actually a portion of the provincial forest that is in my constituency, is very close, very close to the city of Prince Albert, very close to the city of Prince Albert. And actually it's only a couple of kilometres, Mr. Deputy Speaker, from the city limits of the city of Prince Albert.

And so I think it's important at this time that a few words are mentioned about that provincial forest and the opportunities that abound there and the state of that forest and how the forest industry, how the forest industry, Mr. Deputy Speaker, is looking for many opportunities to be able to take advantage of that old-growth forest. And there's certainly a very, very old-growth forest as we look at forests in Saskatchewan, Mr. Deputy Speaker, and the opportunities that abound there.

And how this restrictive NDP government has prevented an appropriate logging practices to be carried out in the Nisbet Forest, north of . . . immediately north of the city of Prince Albert. It brings a great deal of concern, a great deal of concern to the residents who live close at hand. There are many, many acreages that are very close to the forest. There are a few acreages inside the forest on private lands, Mr. Deputy Speaker, and certainly the city of Prince Albert has development inside that forest, inside the Nisbet Forest. And they are also very concerned with the complete lack of forestry initiative by this NDP government and are very concerned for their property inside that provincial forest, Mr. Deputy Speaker.

Many times, many times, Mr. Deputy Speaker, I've had proposals brought to my office — people coming to me almost as a last resort . . . (inaudible) . . . why, why would not this NDP government look at an appropriate logging practices inside the Nisbet Forest to help protect, to help protect the city of Prince Albert, to help protect the private property by trying to do logging in that provincial forest, to help protect that old-growth forest and to help protect that private property around it?

Unfortunately this NDP government is . . . seems to be hamstrung for some reason or other when it comes to dealing with a forest that close to a major city in Saskatchewan. And we're very concerned about that. And the people that live in the forest and close to the forest are very, very concerned also.

I know I've been speaking to people who are involved in firefighting in the Prince Albert area and they are developing practices to try to work jointly, whether it's the rural municipality of Buckland and their fire co-op, and whether it's the city of Prince Albert and their fire department, and certainly the provincial firefighting centre that's situated . . . actually situated inside the provincial forest, Mr. Deputy Speaker, they're trying to work collaboratively to come up with a protocol in order to be able to protect people should a major fire ever break out in that very, very old-growth forest.

And I can't reiterate that strong enough, Mr. Deputy Speaker. This is a very old forest according to Saskatchewan standards. Because we have to understand that a tree in Saskatchewan has reached an old-growth stage at only 60 years of age in the softwood trees, Mr. Deputy Speaker.

And so it's very unfortunate that this forest, which has not seen any major renewal in it since prior to World War I . . . In fact I'm sure the old-timers have told me that it was 1906, 1906 Mr. Deputy Speaker, when the last time a major fire has gone through it. And that's almost 100 years.

This has gone beyond, beyond old growth, Mr. Deputy Speaker. And so that's why I'm trying to impress upon the Assembly today that this is a very, very old old-growth forest and something needs to be done with it in very short order.

I know many times when the members from Prince Albert — the member from Northcote and the member from Carlton — and I have the opportunity to go home on a Friday afternoon and we're over top on the Nisbet Forest as we're coming into the airport in Prince Albert, we often comment on the amount of dead forest, the amount of dead forest, Mr. Deputy Speaker, that is actually inside the Nisbet Forest. And it is of a great deal of concern.

**The Deputy Speaker:** — Order, order. I am having difficulty hearing the speaker with all of the background conversations going on. If I could just ask people to keep the noise level down and if they are going to have private conversations to please take it behind the bar. Thank you very much.

**Mr. Wiberg:** — Thank you very much, Mr. Deputy Speaker, because I know that you are keenly interested in this scintillating speech of mine and so then I'll try to be of some assistance and raise my voice a little bit so that we can carry on above the hubbub that can often be carried out by members of the House.

Certainly, and I'll reiterate again and start again where I was. Several times the members from Prince Albert and I have gone home on a Friday afternoon and as we're coming into the Prince Albert airport and we look down into the Nisbet Forest we can see a lot of spots in the forest, Mr. Deputy Speaker, where death is occurring of the forest.

The forest that is situated on a lot of sandy land, very, very sandy the soils there, Mr. Deputy Speaker. And it's causing a great deal of concern to the citizens of Prince Albert and area, that should the government and its present policies allow that forest to continue on at its present rate. It is becoming very old, very diseased, a lot of disease in it, Mr. Deputy Speaker.

There's a lot of pine, a lot of pine, Mr. Deputy Speaker, in the forest. And of course pine, those in the forest industry know that when it becomes very, very old like that, Mr. Deputy Speaker, is that it is extremely susceptible, extremely susceptible to dwarf mistletoe, Mr. Deputy Speaker, a disease that robs the tree of nutrients and eventually kills the tree off. It eventually spreads to trees around it and can actually wipe out large tracts of forest, Mr. Deputy Speaker.

And again, as I mentioned earlier, this forest is in an area of very light soil, a lot of sand. To lose a forest like that in a sandy area is causing a great deal of concern that within the next generation, within the next generation, Mr. Deputy Speaker, is that what we could end up with is our own set of sand dunes, our own set of sand dunes, Mr. Deputy Speaker, immediately north of the city of Prince Albert.

So that's why it's important that we start to work with the forest industry now. We need to start working with them today — tomorrow is too late — to be able to develop appropriate and safe harvesting practices in the old growth forest so that it could be regenerated. It needs to be regenerated in an appropriate and aggressive manner so that we will continue to have that forest not just now, but certainly for our grandchildren and our great-grandchildren, and our great-great-grandchildren.

So, Mr. Deputy Speaker, it's people such as those on this side of the House who are interested in the promotion of forestry in this province, who are going to be willing to work with the people of Prince Albert and try to develop the appropriate policies that are necessary to be able to protect that forest, and ensure that it is there for many, many years to come.

That way that forest will be there for the enjoyment by future generations, that people will be able to enjoy the Nisbet campgrounds that are there, that they will be able to enjoy the hiking trails, they'll be able to enjoy the junior ski hill that is there. And I think it's important that the people of Saskatchewan continue to recognize that it is only the Saskatchewan Party that is looking at protecting Saskatchewan's forests, and certainly that Nisbet forest immediately north of the city of Prince Albert.

Also in my constituency, as we can now move north through to the areas of what we affectionately refer to as Lakeland, is the Christopher Lake, Emma Lake area. There are many, many families there who are involved in the forest industry.

There's two small saw mill operations west of Emma Lake, Mr. Deputy Speaker, that do very well in the saw mill industry, and have supported families for many years through their logging and saw mill operations. And so it's important that they be recognized for all the good work that they do in the forest industry and the jobs that they've provided. And also to commend them for being good corporate citizens, their having good corporate consciences in their communities.

Again as I mentioned, in many of the other communities whether that be Love or Choiceland or Smeaton, Paddockwood, Candle Lake, and certainly close to Prince Albert, when we talk about the Emma and Christopher Lake areas, these citizens too have the good corporate consciences to be aggressive and community-minded people who are always there to help out



when a community project is on.

And it is because of forestry that has allowed these people to stay in their home communities rather than have to go to another provincial jurisdiction to ply their trade. And so because of forestry they've been able to stay in Saskatchewan and stay in the communities of Emma and Christopher Lake, to be good conscious citizens and support their communities.

We can continue, Mr. Deputy Speaker. We can move farther west again out into the Mayview area. It's a small community, unincorporated; it's more of a district, more of a district, Mr. Deputy Speaker. But again, again, there are small saw mill operations out in the Smeaton and Cookson area that . . . or not Smeaton, but the Mayview and Cookson areas that bring a small sense of prosperity, further prosperity into those communities.

(16:15)

Mr. Deputy Speaker, they provide a local, small local employment base so that young people can again, as I've mentioned earlier in other communities but also in these communities of Mayview and Cookson, give the young people who were thinking of staying home and maybe taking over the family farm a chance as young people to be able to work out a little bit and achieve some skills outside of farming in case that should fall through for them. And certainly the forest industry allows that, allows that, Mr. Deputy Speaker.

But again, these corporate citizens do the same thing for their communities, as I've mentioned earlier, Mr. Deputy Speaker. They have a good corporate conscience and are outstanding corporate citizens in their communities. Many, many times we've seen in the area of Mayview and Cookson where the small saw mill operators are always there to help when there is a community project on and certainly they can be expected to contribute not only financially but personally — personally, Mr. Deputy Speaker.

And so it's important, it's very important that we recognize these small saw mill operations who bring much to their community to help enhance their community. But as we look back, as we look back, Mr. Deputy Speaker, on all these small saw mill operations, be it right from Love right through to Cookson — and that's . . . it's almost a two-hour drive, Mr. Deputy Speaker, across my community — and we need to recognize that these people bring more than just good corporate consciences to their communities, they're also a contributor to the province of Saskatchewan.

They are a contributor, Mr. Deputy Speaker, they are not a taker from the province of Saskatchewan. They contribute personal income tax through their employees; they contribute corporate tax through their companies which helps to sustain, helps to sustain, Mr. Deputy Speaker, the social programs that we on this side of the House find most appropriate in the province of Saskatchewan.

And certainly when we talk about social programs, it's the portfolio of health and the portfolio of education that are extremely important, extremely important in the province of Saskatchewan, and are two programs that we hold very near and

dear to our heart, Mr. Deputy Speaker.

Mr. Deputy Speaker, as you're well aware of course, forestry takes place on a much larger scale than just in my constituency. And certainly the member from Carrot River Valley had talked to some degree about all the forest opportunities that are going on in his constituency, all the small saw mill operators that operate in his constituency, all the larger contractors that supply timber to Weyerhaeuser. And so the job opportunities exist right across the main in central and northern Saskatchewan.

I guess it's important at this time, as we continue to talk about and debate the motion by the member from Cumberland congratulating the forest industry for all they've done for this province, that we look at other corporate citizens right across the . . . northern Saskatchewan and certainly there are many of them, Mr. Deputy Speaker. There are many more — many more, Mr. Deputy Speaker — that would like to be good corporate citizens in the province of Saskatchewan.

We understand that the government is close to getting started on a new OSB plant, an oriented strand board plant in . . . close to . . . south of Meadow Lake, very close to the town of Meadow Lake. And certainly the people from Meadow Lake are going to be very, very pleased with that plant, Mr. Deputy Speaker.

It's going to bring a lot of good-quality jobs to the town of Meadow Lake and the surrounding district south. And those people are going to be paying provincial income tax, Mr. Deputy Speaker, into the provincial coffers to help provide the social programs and help fund the infrastructure that we often debate in this House, Mr. Deputy Speaker.

But again an oriented strand board plant does much more than that. It's going to require feedstock. It's going to require feedstock, Mr. Deputy Speaker, from the forest, from the northern provincial forest, from the private forest lands. And, Mr. Deputy Speaker, when that happens what these companies do and they pay a, they pay a royalty, they pay a stumpage fee to the province of Saskatchewan. And that again, that again helps out the General Revenue Fund again to provide a funding that is necessary for social programs and for infrastructure in the province of Saskatchewan.

But on top of that — on top of that, Mr. Deputy Speaker — of course there's going to be a significant, significant investment by this corporation in the province of Saskatchewan. And of course, we're all aware — significantly so on this side of the House — that when it comes to corporate investment is that this government is quite willing to tax corporations to some small degree, and actually they prefer to point it out, the corporations, from a corporate point of view, a large degree, their investment. We actually tax their investment in this province.

So this large investment — we understand is going to be approximately in the \$200 million range — is going to bring us significantly yearly dollars, yearly dollars starting almost immediately.

Because as we know, Mr. Deputy Speaker, the corporation capital tax has nothing to do with profit or it has everything to do with investment, so as soon as you make an investment in Saskatchewan you're going to be taxed almost immediately.

And again this investment is going to bring dollars into the provincial coffers, into the General Revenue Fund, and so the province is going to benefit from that, again to fund social programs and infrastructure and the people of Saskatchewan will appreciate that.

But once this OSB, this oriented strand board plant gets going and, Mr. Deputy Speaker, they're also going to be creating wealth, and I'm not sure how much wealth it's going to be able to create. It needs to create a profit and certainly as we talked about already with all the other impediments that are in place, with the stumpage fees and certainly having to hire people, but more importantly with all the regulations that are placed in this province they may be able to create a small profit.

But when they do so of course there will be some provincial corporate tax on that and so again they'll be competing . . . or contributing, Mr. Deputy Speaker, to the provincial General Revenue Fund and again to help fund social programs and infrastructure — infrastructure that is desperately needed in this province.

In the area again around Meadow Lake there's already two large saw mills there. One is actually closed at this time, Mr. Deputy Speaker. We're very unfortunate that one of them is not operating. A small group of investors saw a need, Mr. Deputy Speaker, that there was a lot of timber that was going to waste in this province, Mr. Deputy Speaker, and this corporation took it upon themselves, Mr. Deputy Speaker, to be able to take advantage of salvage operations, Mr. Deputy Speaker, in this province.

Actually at one time they were encouraged, they actually were encouraged by this NDP government to do that. Unfortunately this small investment company poured a lot of dollars into the Meadow Lake community, built a first-rate, medium-sized mill and wanted to operate for many, many years to come, providing outstanding jobs for the community of Meadow Lake. I know quite a few of the young people that were working there and they were talking about the wages that they were earning. And it was amazing that with the wages they were earning and the little bit of overtime that they were making, they were bringing a lot of wealth back in the community of Meadow Lake, and the community significantly appreciated that.

There was almost 200, almost 200 jobs associated with that mill, Mr. Deputy Speaker. And one of the sad aspects is that this NDP government in its complete lack of wisdom allowed though . . . they allowed them to set up shop with the intent that they were going to be able to salvage lumber in the forest, in the northern forest, mostly after a fire had gone through, Mr. Deputy Speaker, because after a fire has gone through the forest, it certainly . . . the timber is not good any more for pulp or for paper any more.

So this company came in and made an offer, an outstanding offer that the government thought was good to begin with and allowed them to, allowed them to set up a business and to start to, to start to salvage timber in burnt areas of the Northern Provincial Forest. And then for some strange reason, the government decided to pull, to pull the pin on it and not allow them, not allow them access into the Northern Provincial Forest any more to salvage timber, which was extremely unfortunate.

What was interesting about this, Mr. Deputy Speaker, is that the PST (provincial sales tax), the PST alone on the salvaged timber that this saw mill, medium-sized saw mill was generating, Mr. Deputy Speaker, would have actually paid for the cost of fighting the fire — would have actually paid for the cost to fight — just the PST alone. That's how much money was involved in the salvaging of timber in burnt areas of the Northern Provincial Forest.

So a tremendous loss. A tremendous loss not only to the community of Meadow Lake, but certainly a tremendous, tremendous loss to the provincial General Revenue Fund because again there was corporate capital tax being paid, there was corporate tax being paid, there was personal income tax being paid to help fund . . . Again as I mentioned earlier many times, that what the forest industry does, it helps to fund social programs.

The health care program that we have in this province, that we've come to expect and enjoy . . . We actually could have an outstanding health care plan in this province. To help fund education in this province so that our young people can get the appropriate education levels that are needed in today's modern society. And to help support infrastructure — infrastructure, Mr. Deputy Speaker — that's what forestry helps to do.

The road system that we have in this province, it's . . . (inaudible) . . . and a province such as ours has one of the largest road systems in the country of Canada and it's corporate citizens that actually help to fund that and we appreciate their contribution to the General Revenue Fund. But for some reason or other this NDP government didn't appreciate it as much as those of us on this side of the House. And again, once the Saskatchewan Party rises to power in this province in the next provincial election, we're certainly going to take advantage of those opportunities again.

Also in the town of Meadow Lake, there is another business. There's NorSask saw mill that is owned in its entirety, Mr. Deputy Speaker, by nine First Nations communities. It's certainly one of the showcases, one of the showcases of the province of Saskatchewan, a saw mill that the nine northern communities bought in the '80s, I believe it was in the 1980s, Mr. Deputy Speaker, through an initiative by the local MLA in the Meadow Lake area at that time who was bound and determined that the saw mill that was owned by the government and losing money — losing money on a daily basis — could be operated in a private manner and help contribute to the creation of wealth in northern communities.

And you know what, Mr. Deputy Speaker? It turned out to be an amazing, an amazing success. We've, on this side of the House . . . several of the members have met with the board of directors from NorSask lumber and they are extremely proud of their mill and the benefits that it brings to the community of Meadow Lake.

They pay a significant amount of property tax. They pay property tax to the rural municipality. They pay, again, corporate capital tax. They pay corporate income tax. There's personal income tax paid by the employees that are going into the General Revenue Fund, a fund that helps to support social programs in this province, Mr. Deputy Speaker, the health care

in this province, the education in this province, and to help fund the infrastructure in this province — the highways and the water and sewer systems that we've come to expect in today's modern society, Mr. Deputy Speaker.

So corporations such as NorSask lumber bring a lot to the table in Saskatchewan and so we appreciate everything that they do. But on top of that they also create . . . they're also still creating profit for their communities.

Mr. Deputy Speaker, in conversations with NorSask lumber they inform us that when they bought the mill that they actually funded the purchase through the private sector — through the private sector, Mr. Deputy Speaker. They did not have to use the Crown Investments Corporation. They did not have to use the Saskatchewan Opportunities Corporation. They used the private sector and the private sector was very pleased to become an intricate part as a business partner, Mr. Deputy Speaker, in the NorSask lumber operation. And it's been a very successful, very successful business, Mr. Deputy Speaker.

(16:30)

As we know on this side of the House, and hopefully the members on the government side of the House will eventually begin to understand, is that the lumber industry in Saskatchewan is on a downturn. But when times are very good in the lumber industry, the board of directors was actually able to pay a significant, significant dividend to its ownership communities. In the one year alone, each of the nine communities received a dividend of \$100,000, Mr. Deputy Speaker. Let me repeat that — a dividend of \$100,000 to nine First Nation communities who are the owners of the NorSask lumber mill in Meadow Lake, Mr. Deputy Speaker.

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

**Mr. Wiberg:** — It is this good corporate citizenship that we need to recognize when we talk about this motion by the member from Cumberland to congratulate the forest industry. Again this is one of the businesses in Saskatchewan who brings a lot to the province of Saskatchewan, create a lot of good jobs — very good, high-paying jobs — and certainly we appreciate everything that they do for us.

But the spinoff from NorSask lumber is even bigger than that, Mr. Deputy Speaker, because it requires scores of people in the forest to supply the feedstock for this mill, and working hand in hand with the pulp mill which is actually across the highway from them, Mr. Deputy Speaker. Millar Western Pulp mill is right across the highway from NorSask lumber and so they work hand in hand with the forest operators in the bush receiving the . . . each one of them receiving the feedstock that is so desperately necessary for the operations of their mills.

And so there are a lot of jobs attributed to these operations. It's not only the mill themselves, it's also the logging operations in the bush. And again, Mr. Deputy Speaker, these are good quality jobs in Saskatchewan and help to keep young people in Saskatchewan, Mr. Deputy Speaker, so that . . . Keeping young people in Saskatchewan is extremely important, as we continue to get data on a monthly basis, Mr. Deputy Speaker, that show that this government on a month to month basis continues to

lose people to the jurisdiction of Manitoba, to Alberta, to British Columbia.

As we see now that even . . . now that the NDP government is gone in British Columbia that their economy is turning around, their job numbers are up. And some of those job numbers are up because we're losing people from Saskatchewan to British Columbia and that's really unfortunate, Mr. Deputy Speaker, because certainly under the British Columbia government of Glen Clark and the NDP, is that they saw significant downturn and there was actually people moving from British Columbia to Saskatchewan. Although the only thing that was available for here because of the downturn in our economy, was welfare and that's really unfortunate, where we could have turned to the forest industry to provide the quality jobs that were really necessary to help people move here, and to help keep people here over the many years that we've had job losses in the province of Saskatchewan.

And certainly forestry has contributed in a large degree, a very large degree, to keeping young people in this province because they know that there's been a significantly loss in this province of people. A loss in the last year or so that is second to none — second to none. We never saw losses like this, Mr. Deputy Speaker, or Mr. Speaker, since the dirty thirties. Actually since the dirty thirties was the last time we saw job losses and people moving out of Saskatchewan such as this.

And so . . . but the forest industry, the forest industry, Mr. Deputy Speaker, has tried to play their role in creating jobs in the province of Saskatchewan and we want to congratulate them for all that they've done.

And certainly as we continue to look at the town of Meadow Lake, again there's a significant investment, help funded by this provincial government, who again seem to be able to pick losers on a fairly regular basis. They like to pick winners and losers, but they're very good at picking losers.

They have an investment in the pulp mill at Meadow Lake. Their meddling in that mill is causing some great deal of consternation in the town of Meadow Lake. But we know very well that once we get to be government and help them sort out their management problems, that they'll become a very successful pulp mill, Mr. Speaker, in the province of Saskatchewan.

And we certainly look forward to that, and they certainly look forward to that time when they won't have to deal with this NDP government. And of course their plan is — and of course we can't guarantee that — is that they may never have to deal with an NDP government again.

But again they're still paying taxes. They're not doing that well financially because of the meddling of this NDP government, but they're still paying taxes. Because you still have . . . whether you earn a dollar or not is irrelevant for a corporation such as this, Mr. Deputy Speaker, you still have to pay the corporate capital tax.

Now the government is talking about increasing the exemption for the corporate capital tax — the \$15 million for certain corporations; only certain corporations. And maybe this one

will be lucky enough to get an exemption increased to \$15 million. But on a very large investment, a very large investment like this, Mr. Deputy Speaker, \$15 million is actually very negligible in their investment.

And so they're going to continue to pay on a yearly basis a very large corporate capital tax to the province of Saskatchewan, which again helps to fund social programs and infrastructure in this province — social programs that are very important to us.

The health care plan that we have in this province is very important to the people of Saskatchewan. Very well mismanaged by this NDP government, and certainly the member from Melfort-Tisdale has come up with a very clear and significant plan to help improve health care in this province.

But again, the other social program that we're looking forward to really help fixing in this province because of the contribution such as our partners at Millar Western in the forest industry, is that they're going to be able to help fund education — a plan that's been put together very clearly by the member from Kelvington-Wadena.

But again, again these corporate capital taxes from corporations such as Millar Western, Mr. Deputy Speaker, is going to help fund infrastructure, infrastructure in this province. And certainly in the town of Meadow Lake they're going to appreciate that the taxes paid by corporations such as Millar Western in Meadow Lake are going to be a help with their infrastructure in Meadow Lake.

Because towns such as Meadow Lake have water and sewer systems that are going to continue to age and they're going to continue to need upgrading. And the taxes that corporations such as Millar Western are paying are going to help improve that over the years to come. And certainly the people of Saskatchewan and the community of Meadow Lake are going to appreciate, as they already appreciate that greatly, Mr. Speaker.

Now as we look at what's happening, Mr. Deputy Speaker, in the forest industry there's one more area that I'd like to talk about and that's up in La Ronge. There's again, a small- to medium-size mill very close to the town of La Ronge that over the years has shown a good deal of success, has provided a lot of good quality, good quality jobs, Mr. Deputy Speaker, for the residents of La Ronge and surrounding area. And that's Zelensky Brothers, Mr. Deputy Speaker.

And certainly the people of La Ronge appreciate this good corporate citizen and all the good works that they've done in La Ronge and the way they've benefited the town of La Ronge by providing jobs for their young people so that they don't have to go to other provincial jurisdictions.

But again they've also contributed to the town of La Ronge through their good corporate conscience, Mr. Deputy Speaker. And the town of La Ronge certainly appreciates that to a very large degree, and on behalf of the town of La Ronge, I'd like to thank Zelensky Brothers for being the outstanding corporate citizen that they are.

But again, Mr. Deputy Speaker, as we talk about the saw mill in

La Ronge, the Zelensky Brothers, we need to remind ourselves that they actually do much more, much more than that, Mr. Deputy Speaker. Even though they provide jobs and are a very good corporate citizen to the town of La Ronge — again, through the corporate capital tax and through the corporate income tax and through personal income tax that the workers from the mill have . . . contribute to the General Revenue Fund — is that they are also, they are also helping, Mr. Deputy Speaker, to contribute to the social program and to infrastructure, infrastructure programs, Mr. Deputy Speaker, in La Ronge.

We certainly know that the town of La Ronge certainly appreciates that contribution. Because the town of La Ronge has a very large challenge on their hands, being built in the Canadian Shield that infrastructure is a major challenge for them. And the contributions to the General Revenue Fund that are then transferred back to the town of La Ronge from corporations such as the Zelensky Brothers help the town of La Ronge to a large degree, very large degree, be able to provide a high quality of life to their citizens, some of who already work at Zelensky Brothers.

Now, Mr. Deputy Speaker, we're talking . . . we've already talked about what's going on in this province, what's going on, and I have talked a little bit about the new oriented strand board plant that's being built, talked about . . . there's still talk about it being built south of Meadow Lake and we're certainly pulling for that on this side of the House. We'd certainly like to see that oriented strand board plant built. It'll provide a lot of good quality jobs at Meadow Lake.

But I think we need to talk about other areas in the forest industry that brings a great deal of concern to those of us on this side of the House. And certainly I appreciate that the member from Saskatoon Idylwyld finds my speech so brilliant that he had to put his sunglasses on, but, Mr. Speaker, job opportunities in Saskatchewan could, could abound in Saskatchewan. I think we need to, we need to congratulate those people who in spite, in spite of the barriers that are put in front of them by this NDP government, continue to find ways to be able to appropriately provide jobs for their communities and be able to harvest our provincial forests in an appropriate manner and an environmental friendly manner so that they too can contribute to Saskatchewan's society and for the benefit of all of us specifically in the areas of social program and infrastructure.

Members on this side of the House have taken opportunities to be in northern Saskatchewan to meet with the people up there who have at different times come up with some outstanding business plans to create wealth for themselves and for their communities, for the people inside those communities, and help the province of Saskatchewan and certainly to help themselves become less dependent, less dependent, Mr. Deputy Speaker, on the province Saskatchewan. And unfortunately this government, through its arm of Environment and Resource Management, has stifled, Mr. Deputy Speaker, any new development in northern Saskatchewan.

And I think it's appropriate that as we congratulate the forest industry, we need to congratulate those individuals, specifically individuals in northern Saskatchewan who are stepping up to the plate in order to provide beneficial jobs to their

communities that have been stifled, that have been stifled, Mr. Deputy Speaker, by this NDP government.

As we travel in the North and go to different events in the North — and certainly members on this side of the House have been to large seminars up there; we've been to conferences involving economic development several times, several times, Mr. Deputy Speaker, on this side of the House — is that what we find, as we meet with people and we get in small-group gatherings with the people up there, that whether they're from Green Lake or Beauval or Ile-a-la-Crosse or Turnor Lake or Buffalo Narrows or Turnor Lake or Dillon or St. George or La Loche, we find the same thing, Mr. Deputy Speaker.

We have found literally scores of people, scores of people, Mr. Deputy Speaker, that have spoken to us, Mr. Deputy Speaker, about what it's going to take, what it's going to take to be able to have a Saskatchewan Party government allow them the business opportunities that they see are much more readily accessible in southern Saskatchewan.

Mr. Deputy Speaker, we actually met a gentleman who came up with an outstanding business plan and I'd like to explain that to you just for a minute, Mr. Deputy Speaker . . . or, Mr. Speaker. We met a man from the Beauval area, the member from Carrot River Valley was with me, the member from Thunder Creek was even with me, Mr. Deputy Speaker, and certainly the member from Shellbrook-Spiritwood was with me.

And we were visiting with this gentleman and he was telling me about a business opportunity that he happened to come across and tried to attain. A company in the city of Toronto was going to need a product, a semi-finished wood product. He had to opportunity to bid on it, he had an opportunity to win the contract. But he was going to require a small tract in the northern provincial forest in order to be able to log a few trees so that he could fill this contract.

Well after six months, after six months, Mr. Deputy Speaker, the firm in Toronto finally had to find another supplier. They had to find another supplier, Mr. Speaker, because they couldn't wait any longer. Houses are being built in Toronto on a daily basis. They couldn't wait, Mr. Deputy . . . or, Mr. Speaker, for this contract to be filled by this small contractor in Saskatchewan.

(16:45)

And he was very disappointed, very disappointed that he lost a contract in fact. But he kept, in good faith, he kept trying to get this small tract of land. He thought, well, I'll get this, I'll get this small tract of land in the northern provincial forest because maybe another opportunity, another opportunity will arise, and then I'll have the logging in place and I'll be able to fulfill the next contract that is after.

Well lo and behold, Mr. Deputy Speaker, six months later — six months later — this NDP government finally, finally got back to this man from Beauval and told him, no, no he couldn't have this tract of forest. Now it wasn't a very large one; he just wanted a small tract. And the reason they, the reason they gave . . . Well I'm getting ahead of myself. There was no reason. There was no reason from this government why he could not

have this tract of land. They just simply said no. He asked for a reason. There was no reason. They just decided, no, they did not want to have this gentleman have a business opportunity in northern Saskatchewan.

This opportunity, this opportunity alone would have required loggers in the bush. Somebody would have had to go in there and harvest the forest — it wasn't a large tract — they would have had to harvest the forest. This would have required a small saw mill operation. He would have required people working there, Mr. Deputy Speaker. And on top of that, some degree of manufacturing would have had to take place — all of this close to the, close to the town of Beauval.

So this opportunity, this opportunity was lost because of the first . . . first, it was lost because of foot-dragging, foot-dragging by this NDP government, and then it was lost because they simply refused to allow someone to do the business in northern Saskatchewan.

But we on this side of the House want to congratulate, want to congratulate this gentleman for the outstanding job of the forward-looking attitude that he has that things can be better in northern Saskatchewan.

And we're going to . . . And he knows, he knows, Mr. Deputy Speaker, that when the Saskatchewan Party forms government, he is going to be able to work with us in a responsible and environmentally friendly manner to provide jobs for himself and his family and the people of Beauval. And we congratulate him for wanting to hang in there and wait for this NDP government to be thrown out of power until the Saskatchewan Party can help him out to create jobs in northern Saskatchewan.

That's one instance, that's one instant, Mr. Deputy Speaker. I want to tell you about another one. Actually this business was already in place, already in place, Mr. Deputy Speaker. And we want to congratulate this man for the work that he has done in the forest industry.

Up near the community of Buffalo Narrows, Mr. Deputy Speaker, there was a small operation going where a gentleman was harvesting, was harvesting birch, Mr. Deputy Speaker. He was harvesting birch timber, birch timber exclusively. He had a select harvest program where he was harvesting select mature birch. And what he was doing, what he was doing, Mr. Deputy Speaker, was he was turning that . . . those birch into hardwood flooring — hardwood flooring, Mr. Deputy Speaker, hardwood flooring — selling it, selling it inside the city of Edmonton. He wasn't . . . he didn't have to send it to California or to Florida or anything like . . . all he had to do was get it to Edmonton.

Well, Mr. Deputy Speaker, that finished product, that finished product that was being created in . . . at the town of Buffalo Narrows providing jobs to the people of Buffalo Narrows, good quality jobs — high-paying jobs, I might add, Mr. Deputy Speaker — was bringing, delivered inside the city of Edmonton, \$3,200, 1,000 board feet — \$3,200. Almost 10 times, almost 10 times the going rate for lumber in the province of Saskatchewan.

That's the value-added opportunity this gentleman was taking advantage of, is providing jobs in the forest, jobs that were . . .

for logging to bring mature birch trees out of the forest to the saw mill. He was providing jobs at the saw mill site, jobs at the saw mill site, Mr. Deputy Speaker.

But on top of that, it was providing jobs in the manufacturing because he was creating hardwood flooring from this birch. And then on top of that, this birch had to be moved to, moved to Edmonton, Mr. Deputy Speaker. And so that was creating jobs.

And so there was a lot of jobs being created here. Jobs that were creating a corporate income tax, that jobs were creating personal income tax, that were contributing, contributing to the Saskatchewan's General Revenue Fund, which all of us greatly appreciate so that we can help to fund the social programs and infrastructure in this province that are so desperately, so desperately needed. Because as we know, as we know, Mr. Deputy Speaker, that forestry, which is the fourth largest industry in this province, is a major contributor to the Saskatchewan General Revenue Fund and certainly infrastructure.

We take a look at highways. We took a look at the highways, Mr. Deputy Speaker, which desperately need more funding, that this government is promising to fix or rebuild 700 kilometres of highway this year. And of course at that pace, they . . . we know that they're going to be done fixing roads in this province in the next 50 years — it's going to take them 50 years at the rate they're going — and so then they're actually going to continue to fall behind.

But it's companies such as this, it's gentlemen such as this, Mr. Deputy Speaker, who are trying so desperately to create job opportunities in northern Saskatchewan, but you know what happened to him? You know what happened to him, Mr. Deputy Speaker? The government, this Government of Saskatchewan, came in and shut him down. They came in and shut him down. They didn't have a very good reason. Actually they didn't have a reason. They did not have a reason at all, Mr. Deputy Speaker. The fact of the matter is, is that this gentleman was doing very well and they could not stand to see prosperity in northern Saskatchewan so they actually shut him down.

Mr. Deputy Speaker, I want to continue farther north looking at another community. The community of La Loche at different times has tried to get involved in business opportunities up there where individuals and the town and community members have decided that what they really need to do is to help create wealth and job opportunities in the town of La Loche. Because a very sad, very sad statistic, Mr. Deputy Speaker, about the town of La Loche is that unemployment, unemployment, Mr. Deputy Speaker, in La Loche is at 90 per cent — 90 per cent, Mr. Deputy Speaker. And certainly when we take a look at the forest industry and all the good things that could be going on in the forest industry, what we can see is that this town is being denied an opportunity to use the forest industry to create jobs and wealth in northern Saskatchewan.

But again on this side of the House, on this side of the House, Mr. Deputy Speaker, we want to congratulate those people in La Loche who have decided that they're going to fight and continue to fight on to utilize the forest resource in the La Loche vicinity to create jobs — they're creating jobs, good paying jobs — Mr. Deputy Speaker, in town of La Loche and

the surrounding communities. Because everyone, everyone in La Loche wants a job. They want a job, Mr. Deputy Speaker.

There are only two active, real jobs that are available to the people of La Loche. There's a few people there that work in the uranium mines farther north from La Loche but there's not a job for everyone. There's not enough going on in the uranium mining industry to do that.

But there is another job opportunity in the town of La Loche. In the last, Mr. Deputy Speaker, in the last round of municipal elections, Mr. Deputy Speaker, 54 people applied for 11 jobs — 54 people applied for 11 jobs. Those 11 jobs, Mr. Deputy Speaker, were on town council. They were on town council, Mr. Deputy Speaker. The people of La Loche are so actively looking for good quality jobs that they considered town council, which does not pay a very high salary. It's quite moderate, Mr. Deputy Speaker.

What we need, Mr. Deputy Speaker, is to allow the people from La Loche the opportunity to be able to utilize that forest resource, to utilize that forest resource, Mr. Deputy Speaker, to provide the high-paying, quality jobs that are so desperately needed, so desperately needed, Mr. Deputy Speaker, in northern Saskatchewan.

I remember not that many years ago, Mr. Deputy Speaker, being involved in a small business opportunity in the La Loche area where a gentleman had an opportunity to provide post material to Aallcann Wood preservers in Prince Albert. And it was a pleasure to be doing business with those people — outstanding businessmen. They made very good, sound, business decisions, took advantage of a forest opportunity.

But, Mr. Deputy Speaker, when they tried to expand that, when they tried to expand that, this government stopped them. They shut them down. Again when they asked for a reason, well there was no specific reason. It's just that as far as they could understand, is that the Government of Saskatchewan didn't want to be bothered with having to monitor someone who has a forest operation in the northern provincial forest. And that's all they were able to understand from them.

These are people who are very proud people, as we all are in Saskatchewan. We're all very proud of this province. And they want to be able to provide the opportunities for the young people as much as the rest of us do — well more specifically, those on this side of the House, Mr. Speaker.

And certainly we want to applaud those people. I worked with the one gentleman very closely for the one summer, and it was an outstanding opportunity. I met a very good entrepreneur who's going to continue, continue to push, Mr. Deputy Speaker, to bring job opportunities to the La Loche vicinity.

And we on this side of the House of course already indicated to them that when we become government that there's going to be opportunity there for him and his other business friends to make use of that forest industry that's there in the La Loche vicinity. And certainly they are very appreciative and can hardly wait, can hardly wait, Mr. Speaker, for the next provincial election to roll around so that this opportunity will be available to them.

But we want to congratulate them. I think it's very important, Mr. Speaker, to remind ourselves that we need to congratulate these people for the effort that they put in to work in Saskatchewan's forests to bring wealth and job creation to northern Saskatchewan, and it's so desperately needed, Mr. Speaker.

There was also another lost opportunity, a great lost opportunity, Mr. Speaker, in the La Loche area. What happened a few years ago — and it's not that many years ago, I believe it was about 1997 — there was a very large fire very close to the community of La Loche and certainly the town of La Loche was able to protect their town from it.

But in that loss, in that loss of that large tract of forest, Mr. Speaker, is that there was a lot of fire kill in there, Mr. Speaker, and the people and the entrepreneurs in the town of La Loche wanted to take advantage of that, Mr. Speaker.

And so what they did is they made a proposal, they made a proposal to this government that what should happen, what should happen, Mr. Speaker, is that a salvage operation could take place. A salvage operation, Mr. Speaker, that would harvest some 12 million board feet of timber for lumber, Mr. Speaker, and about . . . and thousands, tens of thousands of posts that could be harvested out of that, Mr. Speaker.

But you know what happened, Mr. Speaker? I'll tell you what happened. This government, this government decided in their complete lack of wisdom that it was inappropriate to harvest this tract of land.

**The Speaker:** — Order, please. It being now past the hour of 5 p.m., this House stands recessed until 7 p.m.

The Assembly recessed until 19:00.