

The Assembly met at 13:30.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Elhard: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to present a petition on behalf of producers in the Eastend area, as well as Val Marie, concerning the crop insurance premium increases introduced this year by the current government. The petition reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary steps to have Sask Crop Insurance reverse the 2003 premium increases and restore affordable crop insurance premiums to our struggling farmers.

As in duty bound, your petitioners will ever pray.

I so present.

Mr. Hillson: — Thank you, Mr. Speaker. I've received further petitions concerning the historic old bridges on the North Saskatchewan River, the prayer of relief of which reads as follows:

Wherefore your petitioners humbly pray that the Minister of Highways will preserve the old bridges between Battleford and North Battleford.

Your petitioners come from Battleford and Medstead.

I so present.

Mr. Stewart: — Thank you, Mr. Speaker. I rise to present a petition signed by citizens concerned with the alarming and deplorable lack of a hemodialysis unit in the city of Moose Jaw. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take necessary action to provide the people of Moose Jaw and district with a hemodialysis unit for their community.

Mr. Speaker, this petition is signed by individuals all from the city of Moose Jaw.

I so present.

Ms. Eagles: — Thank you, Mr. Speaker. Mr. Speaker, again today I rise to present a petition on behalf of constituents of mine with grave concerns about the condition of Highway 47. And 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 47 South in order to avoid serious injury and property damage.

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

And this is signed by citizens of Estevan and also residents of the Boundary dam resort.

I so present. Thank you.

Mr. Hart: — Thank you, Mr. Speaker. Mr. Speaker, I present a petition on behalf of constituents concerned with Highway 22, that section between Junction 6 and Junction 20. 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 22 in order to address safety and economic concerns.

Signatures to this petition, Mr. Speaker, come from the communities of Strasbourg and Markinch.

I so present.

Mr. Allchurch: — Thank you, Mr. Speaker. Mr. Speaker, I rise in the Assembly today to bring forth a petition signed by citizens of Saskatchewan that are very, very concerned with the government's handling of the Crown land leases. And the prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to take the necessary steps to ensure current Crown land lessees maintain their first option to renew those leases.

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

The signatures on this petition, Mr. Speaker, are from Rabbit Lake, from Whitkow, from Saskatoon, from Bradwell, and Spiritwood.

I so present.

READING AND RECEIVING PETITIONS

Clerk: —The following petitions have been reviewed and pursuant to rule 12(7) are hereby read and received:

Petition regarding highway repairs in the Weyburn-Big Muddy constituency as sessional paper no. 42; and

Addendums to sessional papers nos. 13, 18, 27, 36, 40, and 41.

NOTICES OF MOTIONS AND QUESTIONS

Mr. Dearborn: — Thank you, Mr. Speaker. I give notice that I shall on day no. 29 ask the government the following question:

For the minister for the Crown Investments Corporation: what are the lending guidelines for Crown investments corporations to Crown corporations and their subsidiaries in the 2002-2003 year, specifically the lending ratios

relative to the corporate equity to loans granted; further to that, do these guidelines change proportionately with the fluctuations in the provincial credit rating?

I so present.

Mr. Weekes: — Thank you, Mr. Speaker. I give notice that I shall on day no. 29 ask the government the following question:

To the Environment minister: what specific environmental groups does your department get consultation on relating to current environmental issues?

INTRODUCTION OF GUESTS

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I notice in your gallery is a former member that sat in this Assembly '91-95, Mr. Tom Keeping. I'd certainly like to extend a warm welcome.

I have a feeling that Mr. Keeping might be joining us tonight. And I think, Mr. Speaker, if you asked him, he could probably put a poem together about his observations of the session this afternoon. So let's welcome Mr. Keeping to the Assembly.

Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Mr. Speaker, I'd like to join my colleague in welcoming Tom Keeping to the legislature. Tom and I served together for a number of years. He was a very good MLA (Member of the Legislative Assembly), well respected by his colleagues and the people in his riding. And as I always ask him when I see him, how are you keeping, Tom?

Hon. Members: Hear, hear!

Hon. Mr. Osika: — Thank you very much, Mr. Speaker. I'm very pleased today to introduce guests that are with us here today. And, Mr. Speaker, it's from a family of people that have dedicated . . . from a family of three generations that have dedicated public service to this great province of ours.

I'd first of all like to introduce, sitting behind the bar on the opposition side of the House, Mrs. Sally Merchant, former Saskatoon Liberal MLA who served from 1964 to 1967. And Mrs. Merchant, welcome.

Hon. Members: Hear, hear!

Hon. Mr. Osika: — And Mrs. Merchant is the daughter of Vincent Smith who was the former Yorkton Liberal MLA who served from 1934 to 1938.

And I'd also like to introduce . . . it's my sincere privilege today to introduce Pana Merchant, Canada's newest senator appointed December 12, 2002, seated in your gallery, Mr. Speaker.

Hon. Members: Hear, hear!

Hon. Mr. Osika: — One of the three generations, Mr. Speaker, that's not here is Mr. Tony Merchant, but I look forward to seeing Tony, Pana, and Mrs. Merchant this evening at the Saskatchewan Commonwealth Parliamentary dinner.

By the way, Mr. Speaker, I just want to note that Tony and Pana are 39-year residents in the constituency of my colleague, the Minister of Health, Regina Lakeview. And Sally Merchant is a 59-year resident of the MLA for Saskatoon Nutana.

Mr. Speaker, please join me, and I ask my colleagues to warmly welcome these special guests to the Assembly today.

Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — Thank you, Mr. Speaker. I'd like to take the opportunity to introduce to you and to members of the legislature several friends of mine seated in the west gallery. They're from Goodsoil, Saskatchewan, long-time friends of mine, Ron and Margaret Moormann.

Years and years ago when we used to visit them, I used to wonder why they used to look so tired with just two little kids running around the house. Mr. Speaker, they were over visiting us last night, and I think they're enjoying the opportunity to see why my wife and I look so tired with just two little kids running around the house.

Mr. Speaker, please — you, and everyone in the legislature — please join with me in welcoming Ron and Margaret Moormann to the Assembly today.

Hon. Members: Hear, hear!

Hon. Mr. Belanger: — Thank you very much, Mr. Speaker. Seated of course in the west gallery as well, is a friend of mine that we . . . who I met at a convention of guys named Harold, Harold Butch Favel. Butch is from Ile-a-la-Crosse, and I would like to ask all the members of the Assembly to welcome Harold Favel.

Harold's here, of course, looking at some workmen's compensation issues and he's certainly had time to visit the minister's office. But I'd like to ask all members of the Assembly to welcome Mr. Harold Butch Favel.

Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Thank you, Mr. Speaker. I'd like to introduce to you and through you to all members of the legislature, two people who are here because it's Canada Book Day.

In your gallery we have Alison Lohans, who is a nationally known children's writer and is the current writer-in-residence at the Regina Public Library. She's the author of 13 books, nine of which have appeared in the Canadian Children's Book Centre Our Choice list and four of which have appeared on the Resources Links' best-of-the-year list. Her books have been shortlisted for awards in Saskatchewan and across Canada. *Can You Promise Me Spring?* and *Mystery of the Lunchbox Criminal* won Young Reader's Choice awards in 1994 and '96. So she lives in Regina and we welcome her.

Hon. Members: Hear, hear!

Hon. Mr. Nilson: — Also seated next to her is Frances Greenslade. You may recognize Frances's name because her

first book which was creative non-fiction, a travel memoir called *A Pilgrim In Ireland: A Quest For Home* won the Saskatchewan Book Award for non-fiction last fall. And she's currently working on another creative non-fiction work called *A Rough Guide to Motherhood*.

She lives in Regina, does some teaching at Luther College. She's originally from Ontario and lived in other provinces but she's . . . we're proud to have her as a Saskatchewan writer. Let's all welcome her.

Hon. Members: Hear, hear!

Hon. Mr. Hagel: — Thank you, Mr. Speaker. I want to just acknowledge, behind the bar on the government side, a former member of the House, the former member for Last Mountain-Touchwood, who I suspect is here to take in the CPA (Commonwealth Parliamentary Association) greetings as well.

Oh, there's two former members from Last Mountain-Touchwood. I was getting the signal from across here, Mr. Speaker. I thought for a second there I was seeing double. But this is . . . two is twice as good, Mr. Speaker. There's no doubt about this.

So a former, former member for Last Mountain-Touchwood and a former minister of the Crown, Gordon MacMurchy, is here, and also former deputy speaker of the House, Dale Flavel. And I hope that they'll both be joining us at the CPA gathering this evening. And I'll ask all hon. members to join in showing them welcome.

Hon. Members: Hear, hear!

Mr. Hart: — Thank you, Mr. Speaker. Mr. Speaker, I would like to join with the minister in welcoming the two former MLAs from the constituency of Last Mountain-Touchwood. It's a rare occasion where we have three people who have taken turns representing the constituency of Last Mountain-Touchwood and I would ask all members to join with me in welcoming them.

Hon. Members: Hear, hear!

Mr. Hillson: — Thank you, Mr. Speaker. It's indeed an honour for me to join with other hon. members in welcoming all former MLAs, but I would particularly like to make note of your friends, Sally Merchant and Senator Pana Merchant. And if it will help attendance tonight, I promise to sing to my former Liberal colleagues, "Are You Lonesome Tonight."

Hon. Members: Hear, hear!

Ms. Atkinson: — Thank you, Mr. Speaker. I want to join with the member from Melville and North Battleford in welcoming Mrs. Sally Merchant to the Legislative Assembly today. It is true, I do represent the constituency that Mrs. Merchant resides within, and I can report to the legislature that I've knocked on her door many times — both during elections and between elections. I can also report that she always wishes me well, but informs me that she's not voting for me.

But it's nice to see you here this afternoon, Mrs. Merchant. I

know you're celebrating a very important birthday this summer. You look fabulous and it's wonderful to see you here joining us this afternoon.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Administrative Professionals Day

Ms. Jones: — Mr. Speaker, I want today to join with my colleagues in the Assembly to recognize the valuable contributions that our administrative professionals provide on an ongoing basis. Mr. Speaker, today is Administrative Professionals Day — a day which of course used to be called Secretaries Day. But as we all know, the role of a secretary has grown to include a much broader range of tasks, and therefore as the duties of a secretary have widened and changed, a new name for the profession was deserving, to reflect the dynamic nature of these administrative professionals.

Apart from answering phones, writing letters, filing, sorting, and faxing, our administrative professionals play a vital role in public relations, as well as maintaining solid working relationships with our colleagues, our constituents, and various other agencies or institutions. They are our links to information; they are our messengers; they are our ambassadors. Quite simply put, our offices could not function without our constituency and administrative assistants to be our eyes, our ears, our limbs, and our liaisons.

(13:45)

On behalf of my colleagues, Mr. Speaker, I'd like to thank all of our constituency assistants, as well as our administrative professionals in our caucus office — Jannet, Margaret, and the two Gails. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Eagles: — Thank you, Mr. Speaker. Mr. Speaker, it simply couldn't be business as usual without the ongoing contributions of this important, highly skilled, and very special group of individuals who can be found in all kinds of offices all across the province.

Mr. Speaker, I'm referring of course to our administrative professionals. And as part of Administrative Professionals Week, this day is set aside to recognize and celebrate the hard work and dedication of Saskatchewan's thousands of hardworking administrative professionals.

Mr. Speaker, these men and women are often the first contact the public has with an organization and they play an important role in helping that organization achieve its goals and objectives.

This year's theme for Administrative Professionals Week is the Power of Professionalism. I'm sure I speak for all members of this House when I say we need to look no further than to the administrative professionals who work diligently day in and day out for us to know just how incredibly effective and efficient that professionalism truly is.

The talents, skills, energy, and enthusiasm of these men and women speaks volumes about the level of professionalism that exists here in Saskatchewan. In fact as many of us know, our schedules often make it rather difficult to keep up with us. That's why, Mr. Speaker, we're constantly amazed at how dedicated and hardworking administrative professionals help us stay organized. We don't know how they do it, and we probably just as soon not know, but we're truly grateful.

On a personal note, members on this side of the House would like to say a heartfelt thanks to Leanne and Joanne, two very important and very special administrative professionals, for all their hard work throughout the year. And, Mr. Speaker, I would be remiss if I did not recognize the loyalty and dedication of my CA (constituency assistant), Shelley Schroeder.

Mr. Speaker, I ask all members of the House to recognize and honour all of Saskatchewan's administrative professionals. Thank you.

Some Hon. Members: Hear, hear!

Canada Book Day

Hon. Mr. Nilson: — Mr. Speaker, as Groucho Marx, one of Hollywood's most eccentric comedic film actors once said, and I quote:

Outside of a dog, a book is man's best friend. And inside of a dog, it's . . . (hard) to read.

Well, Mr. Speaker, it's tough to argue with that. And in keeping with those sentiments, I am most pleased to acknowledge that today is Canada Book Day, a very special day set aside to not only celebrate books written by Canadian authors but also to recognize the importance of literacy in personal development.

Canada Book Day is part of a larger and ongoing celebration of Canada Book Week which runs from April 21 to April 27. This year's theme is Literacy Landscapes and Literary Sites, highlighting the significant role particular places have played in developing provincial and national literature.

Events are currently taking place in Regina's downtown at the Scarth Street Mall where people may delight in the voices of our own local authors. Our guest authors seated in the gallery today have already treated some eager listeners with readings from their work. Other activities have been going on all afternoon including face painting, greetings from the public library, a book sale and display table, and musical performances.

And so today, Mr. Speaker, let us give our thanks to our authors, publishers, and booksellers who give us access to their work and in doing so enlarge our minds, spark creativity, and broaden our horizons. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Earth Day

Mr. Weekes: — Thank you, Mr. Speaker. Mr. Speaker, I would like to tell my colleagues about an event that happened

yesterday, but one that should be kept in our minds year around.

Yesterday was Earth Day. It marked its 33rd anniversary. The concept was conceived at a conference in Seattle in 1969 and the following year, 1970, was officially launched.

Mr. Speaker, there are many ways to be mindful of Earth Day and how to keep it 365 days a year — such things as planting a tree, community cleanup, a nature walk, how about riding your bike to work or walking instead of driving, maybe organize a recycling drive.

Mr. Speaker, the Royal Saskatchewan Museum in Regina honoured Earth Day by planting a tree dedicated to the memory of renown Regina naturalist, Robert Kreba. Kreba passed away in November 2001, and was employed 25 years at the Regina museum. He was an avid birdwatcher and even co-authored a bird-finding guide for Regina and area.

Mr. Speaker, it is my hope that all members of this Assembly do what they can to make our planet a more environmentally friendly place to live, not only for this generation but for future generations. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

New Health Centre for Cumberland House

Mr. Goulet: — Thank you, Mr. Speaker. Yesterday I had the great pleasure of being in my home community of Cumberland House, along with my colleague, the hon. Minister of Health. We were there to announce some more good news for northern Saskatchewan.

Cumberland House is now one step closer to the construction of a new health centre in our community. Yesterday, the Minister of Health presented a cheque for \$200,000 for planning and evaluation for this important project.

The new health centre in Cumberland House will integrate existing health services provided by both the Cumberland House Cree Nation and the health region. The end result will be a modern, attractive facility that delivers a wide range of health services all under one roof. This will not only benefit residents in the area requiring health services but will also provide an improved workplace for our valued health providers.

This announcement is part of our government's commitment made in the Action Plan for Saskatchewan Health Care for a renewed health care system that promotes greater access to quality health care in the province. This commitment builds on the work that has already been done with the Kelsey Trail Regional Health Authority to ensure this health centre is a provincial capital priority.

Our provincial budget includes a 61 million investment over the next two years. This key investment shows our continued commitment to work with our regional health authorities to renew our publicly administered health care system in this province and to fulfill our action plan and to make sure the people of Saskatchewan continue to have access of the highest quality care.

Thank you.

Some Hon. Members: Hear, hear!

Helen Swedberg's 100th Birthday

Mr. Allchurch: — Thank you, Mr. Speaker. Today is a very special day for a very special lady. Mrs. Helen Swedberg of Big River is celebrating her 100th birthday today. Mrs. Helen Swedberg is of Swedish ancestry, born in Kansas, and migrated to Langenburg, Saskatchewan at an early age.

Mrs. Helen Swedberg had four sons, two of which served in World War II. After a few years in the Langenburg area, she moved to the Dore Lake area where she operated a fishing/hunting camp. She loved the area so much she decided to stay and make Big River her home, her retirement community. She says the Big River community is good to her and she loves them all.

She now lives in the Big River health care centre and today the health care is having a come and go tea in her honour of her birthday. On April 25 the family is putting on a birthday party to commemorate Mrs. Swedberg's 100th birthday.

On a personal note from Susan, her granddaughter, and I quote:

My grandmother always encouraged women to spread their wings. She always believed in this. She loves finer things of life and is still very, very active and very, very sharp.

Mr. Speaker, I would ask all members of the Assembly to please help me congratulate Mrs. Helen Swedberg on her 100th birthday today. Thank you.

Some Hon. Members: Hear, hear!

Government Unveils Immigration Initiative

Mr. Yates: — Thank you, Mr. Speaker. This government knows that empty slogans and promises will not grow this province. We know that growth, health, and prosperity for Saskatchewan requires a vision and a plan to make that vision a reality, Mr. Speaker.

Immigration has played a powerful . . . has had a powerful impact on the economic and social fabric of our province over the last century, Mr. Speaker, and it will play a major role in the coming century as well.

And that is why, Mr. Speaker, we have a strategy for Saskatchewan to attract and retain more immigrants and to encourage increased immigration from other parts of Canada. Mr. Speaker, this strategy entitled Your Future is Here will include a long-term immigration plan, initiatives to attract and retain people in the province, and a partnership with the federal government to achieve these goals.

Mr. Speaker, I am particularly pleased that my colleague from Saskatoon Southeast, the MLA Pat Lorjé, has been appointed Legislative Secretary to the Premier to implement Your Future is Here.

Mr. Speaker, the Sask Party can talk all they want about growing the province. They use empty slogans and promises but this government has a vision and we have a plan and, Mr. Speaker, that plan is working.

Some Hon. Members: Hear, hear!

The Speaker: — Order, please. I would remind the member from Regina Dewdney of something I think he knows full well, and I think his staff should know full well, and that is that we do not use members' names in the legislature, refer to them by their . . . Order, please, order. We refer to them by their titles or by their constituencies and I would ask the member to pay special attention to that.

ORAL QUESTIONS

Government Reaction to Harassment Allegations

Ms. Draude: — Mr. Speaker, it is my understanding that Terry Scott has now tendered his resignation as deputy minister of the Environment as a result of his mishandling of the Murdoch Carriere harassment case.

Can the Premier tell us why Terry Scott made the initial decision not to fire Murdoch Carriere? Was it because he misunderstood the government's harassment policy? Did he understand the policy and make a bad decision in applying it? Or was there some other reason?

Hon. Mr. Calvert: — Mr. Speaker, let me come to the veiled question that has just been put on the floor of the legislature.

Mr. Speaker, I want to assure this legislature and to assure the people of Saskatchewan that when Mr. Scott made his own disciplinary decisions concerning Mr. Murdoch Carriere, there was no political influence — no influence from any member of this caucus or this cabinet. I want to make that absolutely crystal clear.

Mr. Scott made his decision based in the policy framework that has existed until now — a policy framework which the events surrounding Mr. Carriere has exposed to be full of shortcomings.

The minister of the Public Service Commission, in due course, will be presenting to the people of Saskatchewan and this legislature changes to that policy that should make future decision making clearer for those who are charged with it in the civil service and clearer for all elected members.

Some Hon. Members: Hear, hear!

Ms. Draude: — Thank you, Mr. Speaker. Mr. Speaker, I'm going to ask the Premier to again reiterate: did the Premier's investigation look into the possibility at all, of any political interference? Can the Premier tell us with absolute certainty to all the people of Saskatchewan that there was no political interference of any kind on behalf of Terry Scott to protect the job of Murdoch Carriere?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, I repeat now the answer to the question which I knew was coming.

In my investigation and research into the decision-making process around Mr. Murdoch Carriere, as it involved Mr. Terry Scott as the deputy minister, I can say that no political influence was brought to bear from any member of this caucus or cabinet or any member of this House that influenced Mr. Scott in his decision making. He made his decision for discipline within the parameters of the process as he understood it. As is widely known in the province, our government disagreed with his decision and took steps to terminate Mr. Murdoch Carriere from the employment of the Government of Saskatchewan.

Some Hon. Members: Hear, hear!

Rate Review Process

Mr. Wall: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the minister responsible for SaskEnergy. Last week that Crown corporation announced that they would be seeking a 22 per cent increase in the natural gas rates, 33 per cent increase on the commodity. Of course it's been a . . . been part of the process in the past that the government's independent rate review panel — or supposedly independent rate review panel — would consider the application, make recommendations, and then and only then would cabinet decide whether or not to approve the recommendations or the request for an increase.

On this occasion though, Mr. Speaker, we know that the government has already . . . the cabinet has already approved, has already approved, the rate increase on an interim basis which would certainly call into question, would call into question, Mr. Speaker, this government's commitment to an independent rate review process.

So I wonder if the minister would stand and explain to Saskatchewan taxpayers how the decision to approve the increase before the rate review panel even meets is . . . has anything to do with independent rate reviews in the province?

Some Hon. Members: Hear, hear!

(14:00)

Hon. Mr. Sonntag: — Thank you very much, Mr. Speaker. Well first of all let me say before I answer the question, that I don't remember — I may be wrong on this — but I don't remember that member being critical, Mr. Speaker, when we reduced the gas rates last time by some 10 per cent. He didn't criticize then when we introduced an interim rate change, Mr. Speaker.

The answer to the question is, Mr. Speaker, is that we indicated, Mr. Speaker, that the rate review panel would review the rate application by SaskEnergy; it would report back to us with their recommendations. Subject to those recommendations, Mr. Speaker, cabinet would accept, amend, or reject those recommendations just as it has always done with every application in the past.

Some Hon. Members: Hear, hear!

Mr. Wall: — Well thank you, Mr. Speaker. Well had the opposition and the people of the province known that even with that decrease the NDP (New Democratic Party) would still be overcharging Saskatchewan people for their gas, there might have been a lot more discussion about that decision. Mr. Speaker, it's not just the people of the province or the Saskatchewan Party that are concerned about this government's cavalier treatment of its own commitment — its own commitment — to an independent rate review panel.

Here is what the former Chair of the government's rate review panel says about this cabinet decision. Here's what Bob Lacoursiere had to say, and I quote:

Anything that makes the committee less independent is going in the wrong direction. And I think that by having cabinet making the decision ahead of time like they have just done, it really makes it tough for the committee to proceed in an independent manner.

Mr. Speaker, why is the cabinet interfering in this utility rate review process?

Some Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — We are not, Mr. Speaker. Cabinet is not interfering, as that member suggests, Mr. Speaker. We said that we would approve an interim rate increase subject to the rate review panel's recommendation. That's exactly what we are doing. If we waited, Mr. Speaker, likely . . . the likely outcome — I say likely because I'm not going to presuppose what the panel would say — is that you would see a larger increase that would have to be imposed at the time when the panel reports back. I don't think the public of Saskatchewan want that, Mr. Speaker.

So in respect to the people of Saskatchewan, we thought it the prudent thing to do to approve SaskEnergy's recommendation to cabinet, which was to put in place a interim rate increase that is subject to recommendations by the panel which cabinet accepts, rejects, or amends.

Some Hon. Members: Hear, hear!

Mr. Wall: — Well, Mr. Speaker, by the minister's answer, the minister's answer calls into question the very same gentleman who chaired this rate review panel all of these years up until very, very recently.

The quote that I read earlier was not from the opposition. It was not from any MLA. It was from the former Chair, the minister's own chairman of the rate review panel process. And it's he that contends that this government's action in this regard will call into question the independence of this rate review panel. No matter how the minister cuts it, that's what the Chair of the panel is saying.

So again to the minister, again to the minister: what is he doing to restore any semblance of confidence people should have in the fact that this rate review process is independent from the NDP government?

Some Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — Mr. Speaker, I've answered this question a number of times. The only time cabinet has amended in any way the recommendations of the rate review panel, Mr. Speaker, was when we asked SaskEnergy to absorb a \$76 million deficit, thereby not passing on the increase, the large increase, that SaskEnergy customers would had to have taken, Mr. Speaker.

I think the public of Saskatchewan appreciated that. I don't know about members opposite from the Saskatchewan Party, Mr. Speaker, but I think the public appreciated that. I think the Saskatchewan rate review panel has lots of credibility, Mr. Speaker. And I think the public of Saskatchewan think that as well.

Some Hon. Members: Hear, hear!

Out-of-Province Investments

Mr. Wall: — Thank you, Mr. Speaker. A new question to the same minister. Later today, Mr. Speaker, the government, the minister, will table the annual reports of the Crown corporations of the province of Saskatchewan in this Assembly. And those Crown corporations will detail exactly how the NDP government have been stewards of the taxpayers' money through this very significant part of government, through the Crown corporations.

Now the government has said consistently that it wants these Crowns to be investing all over the world — that's what it said — in order to keep utility rates low here in the province, in order to benefit the people of the province.

So I wonder if the minister could stand in his place today and confirm that in those reports he tables later on, there'll be information that shows the government is in fact now making money on its foreign investments?

Some Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — Mr. Speaker, therein will lie the clear difference and distinction between this government, Mr. Speaker, and that Sask Party opposition, Mr. Speaker.

Mr. Speaker, we have been absolutely clear, absolutely clear, that the role of the Crown corporations is to provide low-quality, reliable service here in Saskatchewan and that's exactly what they've done right . . . (inaudible) . . . Mr. Speaker, Mr. Speaker, what they have done over the years is provided high-quality, low-cost services right across the province. That's what they will continue to do.

But in an effort to do that, Mr. Speaker, what they have to do is they need to diversify. They need to diversify because they need to seek other venues for earning revenue. And that's exactly what they're doing. The record will show, Mr. Speaker, that over the bundle, over the piece, they have absolutely returned great profits to the people of Saskatchewan from investments outside of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Wall: — Mr. Speaker, the record will show that except for

one deal done in the late 1980s by the previous government — one out of legions of deals — except for that one, this policy of risking taxpayers' money around the globe has been an unmitigated disaster in the Crown corporations. That's what the facts will show.

Now, Mr. Speaker, the NDP's argument has always been this, has always been this: that by making money in places like Australia, Nashville, and Atlanta, the people in those places are actually subsidizing services to people here in the province. And that would be great, Mr. Speaker, except that it's not true. Every year the NDP up until now has wound up losing money on its foreign investments. So that means Saskatchewan people are actually subsidizing places like Australia, Nashville, and Atlanta.

So can the minister tell us today that in the annual reports he tables later this afternoon, did the NDP's foreign investments finally — did they finally — start making a profit in 2002?

Some Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — Well, Mr. Speaker, I think all I need to do is repeat the answers last time, Mr. Speaker. Mr. Speaker, the only way our Crowns can survive, Mr. Speaker, is if we allow them to diversify into other areas, Mr. Speaker.

Prior to 1996, when that Sask Party said, Mr. Speaker, that our Crowns need to operate in a more competitive environment, they need to compete, Mr. Speaker . . . And I make the point that they were right. The public of Saskatchewan agreed with them on that point, Mr. Speaker.

Now that our Crowns are competing, what do they say? They say, don't compete, Mr. Speaker; tie their hands behind their back. Mr. Speaker, they say, don't invest outside of Saskatchewan. They say, don't compete in Saskatchewan where the lucrative markets are, Mr. Speaker. They say, restrict them to their core services.

Mr. Speaker, if anybody doesn't understand that that is a recipe for shrinking and selling and privatization, Mr. Speaker, it's absolutely clear that's what the Sask Party wants to do.

Some Hon. Members: Hear, hear!

Mr. Wall: — Well thank you, Mr. Speaker. Let's look at some of the NDP investments. In 2002 the NDP invested \$7 million in Craig Wireless — a wireless Internet and cable company providing service in Manitoba, BC (British Columbia) and Palm Springs, California. In 2001 — sorry, Mr. Speaker — 2001 the NDP put 3 million more into the company for a total of \$10 million. So I'm sure the people of the province are very happy to know that their tax dollars are helping to provide cable television to the poor people of Palm Springs, California.

Well, Mr. Speaker, in the first two years, SaskTel lost nearly \$6 million on its Palm Springs wireless cable company. So the question to the minister is this: Mr. Speaker, did this investment finally start making money in 2002?

Some Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — Mr. Speaker, I'll answer the question because the member opposite has asked the question, Mr. Speaker. But, Mr. Speaker, here is, here's the real agenda — the agenda is clearly to discredit the Crowns for privatization.

The answer to the question, Mr. Speaker, for that member from the Sask Party, is this, Mr. Speaker, is that we have identified in those investments that in the start, in the starting years, the first number of years — one, two, and three — there were planned losses. Clearly they're planned losses; in any start-up company, whether privately owned or public, Mr. Speaker, that's a given, generally speaking. That's been the case.

But our plan for the Crowns is to look into the future where these investments will start to return money and revenues for the people of Saskatchewan so that they can offer those consistently low rates for the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Wall: — Well, Mr. Speaker, in 2001 SaskTel invested 16.7 million taxpayers' dollars into BC-based telco that they've changed the name of to Navigata. In its first year of operation in 2001, Navigata lost \$2.5 million.

Can the minister tell us, how did Navigata do last year? Has it started to turn a profit or is it still losing millions of taxpayers' dollars as well?

Some Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — Mr. Speaker, again I say that if we are going to maintain the services that we have here in Saskatchewan with our Crown corporations, and this will be the clear distinction and if they don't make it — the Sask Party in the next provincial election — an issue, I guarantee you, we will.

Because the people of Saskatchewan want to know about our Crowns and they want to know, Mr. Speaker, that our Crowns will be there to serve them, not just in large centres like Regina and Saskatoon but right across the province, Mr. Speaker. They want to know that they will have low rates, that they'll be able to provide services right across the province. And the reason we're investing now is for the future, Mr. Speaker. We're investing for the future so those investments will bring revenues back into the province.

What do they want to do? They want to sell them off; they want to limit competition here in Saskatchewan; they want to sell the Crowns, Mr. Speaker. Nothing more complicated than that.

Some Hon. Members: Hear, hear!

Mr. Wall: — Well, Mr. Speaker, on behalf of the opposition, let me assure the minister on that side of the House that we relish and look forward to the opportunity to debate Crown corporation policy in this province. We're going to be happy to talk about our priorities here in the province of Saskatchewan, in places like Admiral instead of Australia, Mr. Speaker; in places like Nipawin, Mr. Speaker, instead of Newcastle, Australia or Atlanta, Georgia or Nashville, Tennessee. We'll gladly put our Crown corporation policy against the tired old

1970s lava-lamp, shag-rug Crown corporation approach of the members opposite, Mr. Speaker.

Mr. Speaker, now back in 2000-2001, the NDP decided to cash in on the dot-com craze. They decided to invest in a company in Atlanta called Retx and a company in Nashville called *tappedinto*. Now they've sunk nearly \$30 million into those particular dot-coms and lost money up until 2002.

Will the minister tell us in the annual reports he's tabling later today, have those two companies made a profit yet for the taxpayers?

Some Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — Tired and old, Mr. Speaker? Tired and old? This is the party, the Sask Party, that wants to shrink the Crowns, Mr. Speaker; they want to shrink the Crowns. They want to put up walls around Saskatchewan, Mr. Speaker. They want to sell off in investments, Mr. Speaker. They want to shrink our Crowns.

They say we're tired and old, Mr. Speaker. We have made our Crowns competitive just like private sector companies. We've made them competitive. We've made them modern, Mr. Speaker. They are lean, Mr. Speaker. Mr. Speaker, they provide great service across our province.

I think, Mr. Speaker, that we have Crowns now that are rejuvenated, that continue to provide high-quality service at the lowest rates not just in Canada but, in many cases, across North America.

They say we're tired and old. They want to sell them off and shrink them. I think not.

Some Hon. Members: Hear, hear!

Mr. Wall: — Mr. Speaker, we don't know for sure, but we're pretty sure that the reports tabled later today, the facts of the matter, the facts of this debate we're having right now will support the Saskatchewan Party position, which is basically this: that when our Crown corporations stick to their knitting, when they focus on the province, they have a good deal of success — success that we compliment them on.

But when the NDP allows them to stray to make investments all over the world, that's when they get into trouble. We think that's what the facts will say later this day, Mr. Speaker.

And so the question to the minister is this: in anticipation of those annual reports, just would he stand up and tell us, tell the members of the House if one, single, NDP foreign investment made any money at all in 2002?

Some Hon. Members: Hear, hear!

(14:15)

Hon. Mr. Sonntag: — Mr. Speaker, that member suggests that this government doesn't have the right policy on Crown corporations, Mr. Speaker.

Mr. Speaker, well let's look at the record. Let's look at the record. A Crown corporation that when we took over was virtually bankrupt, Mr. Speaker — virtually bankrupt — they paid down huge debt, Mr. Speaker; they have a debt/equity ratio that is comparable to any private sector corporation. Mr. Speaker, they paid \$1.6 billion in dividends and equity payments to the General Revenue Fund, Mr. Speaker.

Mr. Speaker, they have been part of, according to all the credit rating agencies, a part of this province's 10 consecutive credit rating upgrades — 10 consecutive credit rating upgrades. Mr. Speaker, they meet TSX standards on virtually every component, Mr. Speaker. They have received all kinds of accolades from the private sector, Mr. Speaker, and from the bond rating agencies, Mr. Speaker.

And they in the Sask Party say, we're doing the wrong thing with Crown corporations.

Some Hon. Members: Hear, hear!

Mr. Krawetz: — Mr. Speaker, my question is also for the minister responsible for the Crown Investments Corporation.

Under the NDP, the Government of Saskatchewan has gambled millions of dollars buying high-risk companies and making high-risk investments all over the world. For example, SaskTel has bought companies like Retx.com in Atlanta, Georgia; Craig Wireless International in Winnipeg, Manitoba; *tappedinto.com* in Nashville, Tennessee; an ag dealer magazine in southern Ontario.

Mr. Speaker, will the NDP be providing a complete annual financial report of each of these companies so taxpayers can assess the value they are getting for the millions of tax dollars the NDP has gambled? Or, is the NDP going to cover up the financial results of these businesses by burying them as a footnote to the SaskTel annual report?

Some Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — Mr. Speaker, we have done more to make our Crowns accountable, Mr. Speaker, than any government past has ever done, Mr. Speaker — past has ever done. Mr. Speaker, our statements are audited twice, first of all by the Provincial Auditor and by private sector auditors, Mr. Speaker. The annual reports, as I've indicated, meet TSX standards, Mr. Speaker. We are now providing mid-year reports that have never been provided before, Mr. Speaker. We report — and this government did this, Mr. Speaker — on all significant transactions, Mr. Speaker, and I could go on.

Mr. Speaker, I say to you and I say to the public of Saskatchewan, the people that need to come clear is the Sask Party. What is their agenda with Crowns, Mr. Speaker? What's their agenda? And let me elaborate a little bit when I refer to the member, Mr. Speaker, from . . . This is a quote:

Brkich defends Sask Party 'grow Saskatchewan' plan.

Mr. Speaker, he said that they would . . . And I quote:

. . . would not be sold off immediately, (referring to

SaskTel and others) but (would sell) when the selling price would reap the "best bang for the buck."

Their agenda is clear.

Some Hon. Members: Hear, hear!

Mr. Krawetz: — Thank you, Mr. Speaker. Mr. Speaker, there's also something that needs to be very, very clear and that is that Saskatchewan taxpayers have the right to get a complete accounting, a complete accounting, of every business operation and every financial performance of every company the NDP has gambled taxpayers' dollars on — companies like Retx, *tappedinto.com*, and *agdealer.com*; companies like Minds Eye entertainment, the government's movie company; and companies like FarmGro Organic, the NDP's bankrupt organic seed company.

Mr. Speaker, my question for the minister is simple: will the NDP be providing a detailed annual financial report of each of these businesses the NDP has bought with millions of taxpayers' dollars or does the NDP intend to cover up the operations and financial results of their multi-million dollar expenditures?

Some Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — Well, Mr. Speaker, it's an interesting question, how do we cover . . . If we're covering it up, how is that they and everybody know about these, Mr. Speaker, if we're supposed to be covering it up?

Mr. Speaker, let me say this about this and let me be serious in response to the question. Mr. Speaker, as I travel across the province talking about the role of Crown corporations and the investments that we're making, and as our president and a number of the officials within Crown Investments travel across the province making presentations on the investments, Mr. Speaker, it is rare indeed — it is rare indeed — in our province when people in the communities where we are making these presentations say to us or to me, Mr. Speaker, don't help us out; don't partner with us; don't work with the private sector.

You know what they say? They say the Sask Party is on the wrong page, Mr. Speaker. They say, work with us, partner with us, help us grow the economy in our communities, Mr. Speaker. That's what they say.

Some Hon. Members: Hear, hear!

Crown Corporation Dividends

Mr. Krawetz: — Thank you, Mr. Speaker. Mr. Speaker, my final question is for the Minister of Finance. According to the 2001 annual report of the Crown Investments Corporation, Saskatchewan's Crown corporations made a net profit for CIC (Crown Investments Corporation of Saskatchewan) of \$110 million. But the NDP took \$200 million in dividends from the Crowns in 2001-2002 fiscal year. Mr. Speaker, that means our Crown corporations were forced to borrow money to pay the NDP its \$200 million dividend.

So what about this year? In 2002-2003 fiscal year the NDP took

a \$300 million dividend from Crown corporations.

Will the minister confirm that our Crown corporations earned at least \$300 million in profits last year, enough to cover off the \$300 million the NDP took from the Crowns last year to balance the budget? Or has the NDP once again forced the Crown corporations to borrow the money to pay its dividend to the government?

Some Hon. Members: Hear, hear!

Hon. Mr. Melnychuk: — You know, Mr. Speaker, I can recognize that the member opposite for the Sask Party, the critic for Finance, would understand some of the vagaries of accounting, being with members of course who were in the 1980s masters at the vagaries of accounting, Mr. Speaker.

When we look at what we've done today and we've talked about the accountability, we talk about the dividends, everyone knows and it's in the accounts that there was a deferred dividend that was brought into the subsequent year.

But, Mr. Speaker, our Crown corporations will be paying \$200 million in dividends this fiscal year. They paid \$300 million of dividends last fiscal year. And they paid on average \$150 million of dividends the year before, Mr. Speaker.

And guess what? Since our Crown corporations have been revitalized they are now providing over 95 per cent of their capital investments right in this province, Mr. Speaker. And the investments that they'd make outside of Saskatchewan are returning dollars here so that we can pay for health care and education, Mr. Speaker — not like the 1980s when they equity-stripped our Crown corporations, Mr. Speaker.

Some Hon. Members: Hear, hear!

The Speaker: — Why is the member from North Battleford on his feet?

Mr. Hillson: — By leave, to request leave to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Hillson: — Thank you very much, Mr. Speaker, and fellow members. We have in the interim been joined by another former member of this House, Tony Merchant, who is seated with his mother behind the bar.

You know, when I go to Remembrance Day services, periodically we're introduced to a veteran who says he had to lie about his age to get to serve his country. Well when I consider that Tony was a member of this Assembly nearly 30 years ago, I think he must have lied about his age to get to serve in this Assembly.

I'd ask all members to please join me in welcoming Tony Merchant to the Assembly.

Hon. Members: Hear, hear!

Mr. Krawetz: — Mr. Speaker, leave to introduce guests.

Leave granted.

Mr. Krawetz: — Thank you very much, Mr. Speaker. Mr. Speaker, on behalf of the official opposition I too would like to welcome Tony Merchant to the Assembly this afternoon.

But, Mr. Speaker, I also would like to introduce the person sitting up in the east gallery. Many of you who were attending the Social Science Teachers' Institute would recognize the young lady sitting up there as Lindsay Krawetz, my daughter.

Lindsay has been taking first year university here in Regina; has completed four final exams, and I understand one of those final exams was political science and it's out of the road now so she doesn't have to worry about that one. But she still has one more exam to go on Friday, and will be looking forward to employment here in the city of Regina.

And I'd ask all members to join me in welcoming my daughter, Lindsay.

Hon. Members: Hear, hear!

TABLING OF REPORTS

The Speaker: — Before orders of the day, members, it is my duty to table: the 34th annual report for the Commonwealth Parliamentary Association; and the annual report for the period ending March 31, 2002 of the Saskatchewan Legislative Library; the report to the Legislative Assembly of Saskatchewan on the 2002 financial statements of the CIC Crown corporations and related entities, dated April 2003; and the report to the Legislative Assembly of Saskatchewan on the financial statements of Crown agencies for the years ending in the 2002 calendar year, dated April 2003.

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 140 through 142 inclusive.

The Speaker: — Responses questions 140, 141, and 142 have been submitted.

Mr. Yates: — Thank you, Mr. Speaker. I'm extremely pleased today to stand and convert questions 143 and 144 for debates returnable.

The Speaker: — Questions 143 and 144 converted to orders for return (debatable).

Mr. Yates: — Thank you, Mr. Speaker. I'm extremely pleased today to table on behalf of the government response to written question no. 145.

The Speaker: — Response to 145 has been tabled.

Mr. Yates: — Thank you, Mr. Speaker. I'm extremely pleased

once again to stand on behalf of the government and convert question no. 146 for debates returnable.

The Speaker: — Question no. 146 converted to debates returnable.

(14:30)

COMMITTEE OF FINANCE

General Revenue Fund Highways and Transportation Vote 16

Subvote (HI01)

Hon. Mr. Wartman: — Thank you, Mr. Chairman. I'd like to introduce my officials before, and then I would like to give a brief overview of the successes we've achieved in the Department of Highways and Transportation, as well as our plans for this fiscal year.

So I'll begin by introducing the officials. To my left is deputy minister, Harvey Brooks, and to my right is assistant deputy minister, Barry Martin, responsible for operations. Behind Barry is Fred Antunes. Fred is director of operations for planning and business opportunities.

Right behind me is assistant deputy minister, Don Wincherauk, and behind Don Wincherauk is Cathy Lynn Borbely, leader of budget development. To Don's left is Mike Makowsky, manager of transportation, trade, and logistics; and to his left when he arrives will be Les Bell, who is manager of sustainable infrastructure.

Mr. Chairman, the key to success in any endeavour is having a good solid plan and this government has such a plan. And because of that plan Saskatchewan's future is indeed wide open. I've had the good fortune to see this plan in action first-hand out there in the province, travelling the roads and highways. It's by driving these roads and meeting the people who live in rural and urban areas that I hear what great work we are doing, and also what more needs to be done — and more definitely needs to be done, Mr. Chairman.

My government listens to the people of Saskatchewan, and we will continue to listen and to move forward with our plan to build better highways. In 1997 we committed to spend \$2.5 billion over 10 years on highway improvements. We had the vision and we had a plan to fix our roads faster and we wanted to do this in a fiscally prudent manner — so that's exactly what we did. Building for the future is about building momentum for growth and opportunity, and building programs and support for Saskatchewan people.

A few weeks ago the province announced its 10th consecutive balanced budget. It continues the tradition of strategically investing to meet the needs of Saskatchewan people while at the same time managing the province's finances in a responsible and prudent manner.

A significant part of this year's provincial budget is the investment of \$296.2 million to fix the roads and to build better

highways. This budget includes significant investments in critical public infrastructure. Since 2000-2001, including this new budget year, we will have invested \$1 billion in our highway system, ensuring a transportation network capable of supporting the movement of goods in and out of the province.

A month ago we celebrated the partnership between the federal and provincial governments allowing us to complete, five years ahead of schedule, the twinning projects on Saskatchewan's portion of the Trans-Canada Highway and the western section of the Yellowhead highway. This project is not simply a matter of grading and paving; this project has meaning and importance far beyond the dynamics of simply building a road. In such a large geographic area as Saskatchewan, an efficient network of highways is vital in a variety of ways.

This past summer I signed a memorandum of understanding with the three other Western Transportation ministers to further leverage our joint commitments and strengths to develop a sustainable national transportation system and strategy. Together we present a unified voice to stakeholders, especially the federal government, on common Western transportation initiatives, issues, and goals.

Together we represent about 37 per cent of Canada's GDP (gross domestic product) and we have a strong and united voice. We are raising the profile of Western transportation challenges, initiatives, and solutions while also working together on Western campaigns toward increasing transportation safety.

Working with our neighbours to the South is also a critical link in building and maintaining a sustainable transportation system that includes enhanced economic development of and trade opportunities for the province of Saskatchewan.

Our province is working to maximize provincial trade corridor routes to increase the efficiency and strength of trade nationally, from province to province, and internationally. In fact last spring, Mr. Chairman, I signed a memorandum of understanding with Manitoba and North Dakota as part of Saskatchewan's continued work with other northern Great Plains region jurisdictions. At this signing Saskatchewan, Manitoba, Minnesota, North and South Dakota, Nebraska, and Iowa formally endorsed the jointly prepared document, *Trends in Transportation and Trade — Moving the Northern Great Plains Region to a Stronger Economic Future*.

It is the collaboration on work such as this that will lead to an enhanced trade opportunity for Saskatchewan while maximizing our highway and other transportation networks. This vital trade network enables our businesses to compete with Alberta, Manitoba, and others by providing for the cost-effective and reliable north-south delivery of goods, people, and services.

With a trade-dependent economy, it is important that my department maintains a good working relationship with our American and our Canadian partners. This relationship also means that tourists visiting our province have the assurance that while they're driving in Saskatchewan, the roads they traverse will lead them safely to their destinations.

Emergency vehicles have to have the ability to quickly get to

the scene of accidents or mishaps. And so we build and repair and maintain our roadways.

Finally, it is a statement that our governments are committed to these values and committed to show the rest of Canada that travel and transportation in Saskatchewan is timely, safe, and efficient.

Saskatchewan has already demonstrated a significant level of support for the twinning of our sections of the national highway system. And in this year's provincial budget, the Department of Highways and Transportation has its second-largest budget in the province's history at \$296.2 million.

As government moves forward on its twinning commitments and transportation infrastructure investments, Saskatchewan will be even more accessible and will boast a network of highways totalling over 26,000 kilometres. Adding in the over 164,000 kilometres of municipal roads gives us the largest network of roads in Canada. Saskatchewan's total road surface would circle the equator over four times.

Mr. Chairman, Saskatchewan's future is wide open. Our twinning initiative is another way that we can continue to build our province and maintain our infrastructure for today and for generations to come.

With this year's budget we are on track to meet the commitment government made in 1997 to invest \$2.5 billion on highways and roads over 10 years. This year we will exceed the 1999 commitment to invest \$1 billion over four years and 900 million over three years. This 900 million includes federal government funding that I'm proud to say that we negotiated long and hard to get. We feel the federal government has an obligation to provide an ongoing commitment to investment in the national highways system and in northern Saskatchewan. To date such a long-term commitment from the federal government has not been forthcoming, so we have aggressively pursued the short-term funding opportunities that are available.

We've been very successful in recent years through the Prairie Grain Roads Program, the strategic highway infrastructure program, and the new Canada strategic infrastructure fund. And we are cost sharing with the federal government on all of these programs.

As the Prime Minister said during his recent visit to the province, and I quote:

It's the right thing to do for the people of Saskatchewan.

Let me repeat that phrase because it is familiar:

It's the right thing to do for the people of Saskatchewan.

The infrastructure of this country has been neglected for too long and:

Now that we have a balanced budget for the seventh year in a row and a bit of cash, it's good to invest it in the security of people who travel on the roads of Saskatchewan.

So what will the people of Saskatchewan get for the \$900

million in work we have planned and are delivering? The people of Saskatchewan will get a better, safer, more sustainable transportation system that supports economic and social development.

For example, here are a few of the things we accomplished last year. More than 665 kilometres of major road construction and 110 kilometres of smaller road projects were completed. More than 30 kilometres of twinned highways were opened, including a second bridge over the North Saskatchewan River at North Battleford. In rural Saskatchewan, 245 kilometres of rural highways were upgraded to a pavement, resulting in five key rural corridors being upgraded to a paved standard. Under an agreement with Pavement Scientific International of Saskatoon, new road-strengthening technology was used in 50 kilometres of thin membrane surface highway reconstruction.

In the course of our work to prepare for future expansion of the highway system, one of the oldest archaeological sites in North America that includes human habitation was found near St. Louis. This find has the potential to generate research, and perhaps even tourism, in the education opportunities in this area. It also gives us insight into the patterns of travel and into the cultures of that time.

Northern communities and contractors delivered more than \$2.8 million of work through 109 contracts and agreements as part of our effort to support northern development.

The patent for the road and rail power unit which was developed by the innovative staff at Highways and Transportation was sold to Brandt Road Rail Corporation, allowing Brandt to aggressively market this unique vehicle around the world and to create jobs in Saskatchewan.

The department's transport compliance branch received a Partner in Safety Award from the US (United States) Department of Transportation's federal motor carrier administration in recognition of the outstanding assistance in conducting security sensitivity visits to Saskatchewan carriers after 9/11.

A key objective of the plan is for the department to manage its own resources more efficiently. We have undertaken internal initiatives to absorb administrative cost increases. We have created a wall between our road funding and our administrative funding in order to maximize our on-road program delivery.

Any savings during the year in administration can be reallocated to road expenditures, but road funding is not used to offset any administrative pressures.

We have leveraged our activities to create opportunities for youth and for people with disabilities. We provided many employment opportunities for young people by hiring 148 summer students last year, 8 students through the centennial student employment program, and 28 co-op students during that year.

Through our disability employment initiatives, we currently employ 30 people with disabilities.

The department has been a leader in government's initiatives to

refocus government and improve accountability. The IT (information technology) merger between Highways and Saskatchewan Agriculture, Food and Rural Revitalization is a model for clustered IT service delivery within government.

We continue to demonstrate leadership in government accountability and performance management initiatives. The 2001 annual report included a 2002-03 performance plan and was so popular that we had to reprint it.

Looking back, last year was a successful year for the department and one for our government as a whole.

This year, in partnership with the federal government, we will invest more than \$25 million in provincial funding on twinning. We will grade 15 kilometres and pave 38 kilometres to complete twinning of Highway No. 1 West this fall. We will grade 40 kilometres of Highway No. 1 East and Highway 16 that will be open to traffic in 2004.

(14:45)

Mr. Chairman, my government's vision is to transform Saskatchewan's transportation system to meet the social and economic development opportunities of the 21st century. We continue to achieve this vision by focusing on a sustainable transportation infrastructure, strengthening economic development, and serving social needs, and the safe movement of people and goods.

Before we move on with the business of estimates, Mr. Chairman, I would also like to take the opportunity to recognize the member for Last Mountain-Touchwood as the opposition critic for Highways and Transportation. The member has been the critic for the last year and, as such, I have found him to be a good and challenging opponent and a gentleman. I look forward to his questions and perhaps his colleagues' questions in this year's estimate debates. Thank you very much, Mr. Chairman.

Mr. Hart: — Thank you, Mr. Chair. Mr. Chair, I would like to welcome the minister's officials here this afternoon. It's a . . . I'm sure the people present here in the Assembly this afternoon play a very vital role in Transportation and Highways, the Department of Highways in our province, and as I said I would like to welcome here . . . welcome them here and thank them for the good work that they've done in the past.

Now the minister went on . . . or just completed a bit of a speech I guess in . . .

An Hon. Member: — Sermon.

Mr. Hart: — A sermon, as one of my colleagues says, as far as all the good things that his department has done in the past. And so . . . and I find that perhaps we have the deputy minister and his assistant deputy ministers and so on, and I'm sure the . . . perhaps they're . . . they should be familiar with the minister's vision and his view of the future and that sort of thing. And so perhaps we could look at the budget in the budget estimates and perhaps get into some of the nitty-gritty of that.

But I did find one or two things that the minister mentioned a bit interesting. He talked about administrative savings and any

savings that were made or that he . . . his department found, they were put into construction and that sort of thing. Yet when you look at the budget, the administration budget is exactly the same as last year. And so I guess I'd question what savings were found, because it doesn't reflect that in any of the figures that I have, Mr. Chair. The administration total is \$4.4 million in '03-04 and it's the same figure as '02-03. Perhaps the minister may want to comment on that a little bit later.

I find also interesting comments made about the trade corridors and those sorts of things. I congratulate the minister on taking the initiative. I guess my question would be what took them so long, what took this government so long?

Since the signing of the Free Trade Agreement and even prior to that, we've seen a dramatic increase of products and goods moving on the north-south trade corridor. And now finally, some close to 10 years after that, we've seen that increase in traffic where this government is finally realizing that maybe we should get on board and develop some partnerships and some protocols with some of our neighbouring states and neighbouring provinces to develop that sort of a linkage between the markets for our goods.

And so I would ask . . . I guess, Mr. Chair, I would ask the minister to comment on the johnny-come-lately through this whole trade corridor issue and why his government didn't act on this quite some time ago?

Hon. Mr. Wartman: — Thank you for the questions. First of all in terms of the administrative savings, the member opposite should be aware that there have been increases in wages and salaries. All of these increases have been absorbed and that's why the number that you see will be the same number that was there previously. There's been a lot of good work in terms of making our administration as efficient as it could possibly be. Absorbed in '03-04 were \$1.6 million in salary increases; in '02-03, 1.2.

And so I think if you look at the fact that we've had these increases and we've absorbed them, you will have to agree that the work of the administrative part of our department has been very, very good, very solid work, and I can only commend them for that work.

Secondly I'd have to say, Mr. Chair, that the member from Last Mountain-Touchwood has been referred to as Rip Van whatever-his-last-name-is-that-I-can't-say-at-this-moment, and it's really important that when I'm responding to this question about our relationship with the US and the kind of plans that we've got, that the member opposite should actually take a little bit of look at the history.

Just because he's noticed it finally doesn't mean that other people haven't been involved for a long period of time, doing a lot of work to make sure that we have good trade relationships. That work has been ongoing for years. The department has done excellent work on it. And the signing of the memorandum of understanding last year was part of an ongoing program that commits us to even greater challenges in that trade relationship, and in building a transportation system that will enable that trade relationship to grow and prosper even more.

So it's not a matter of us finally getting to it; we've been at it for a lot of years, doing very good work. It's a matter of — I gather — it just coming to your attention. But don't try and foist that onto the government. The government has been working on it, done excellent work.

These kind of relationships and these kind of agreements are not put together overnight and signed overnight. They take a lot of groundwork and a lot of thorough work by department staff to prepare the groundwork for this. That's what's been going on and I welcome you to this year, and to the work that's going on this year, and appreciate if you ask a question you will get a straight answer on it.

But when you put the innuendo in there, I do have to comment on that. And the fact is that work has been ongoing and will continue to go on because we value the trade relationship that we have with the US. And we need to have very, very good corridors, not just at the border itself but we need to make sure that our corridors running east-west and north-south intersect and that we do have good corridors, both with rail and with roadway.

So that's what we've been working at. And we've been at these relationships not just through this department but through other departments to make sure that we do develop the kind of network that we need to augment our plans for a wide-open future that truly will prosper the whole of this province. Thank you.

Mr. Hart: — Mr. Chair, the minister tells us that work has been going on for quite some time on the trade corridors and negotiations have taken place. Yet as far as any physical evidence, it's only been in very recent years that there's been some noticeable difference in the condition of highways that lead to those markets and to those trade corridors.

If you look at the neighbouring provinces on either side of us, Mr. Chair, we find that Alberta has some very good highways that allow their exports to gain access to the US market. The same can be said for Manitoba, the highway south of Winnipeg. Yet we have limited access. The conditions of some of our highways have just very recently commenced to be improved to allow that access. And so I think we certainly have been aware of what's been happening in the past and we see that once again Saskatchewan is, instead of being a leader, we are a follower, Mr. Chair.

But having said that, I would now . . . I'd like to turn my attention to this year's budget, Mr. Chair. The minister says that this is — if I heard him correctly — this is the second highest budget in the history of his department.

On March 5, the Prime Minister came to town and made an announcement saying that the federal government has signed an agreement with the province of Saskatchewan to . . . for \$82 million over five years to speed up the twinning of our national highways, Highway No. 1 and Highway 16.

Now that translates into about 16, \$17 million and then the minister's department has been good enough to provide me with some comparisons as far as federal dollars in this year's budget as compared to previous years budget. And it seems that this

year there is \$9.3 million more, more federal dollars, in the department's budget. The budget has only risen \$3.3 million over last year.

So where's the \$6 million of additional . . . of federal dollars? I would suggest what has happened, Mr. Chair, is that this government, as they've done on other occasions, they've taken the federal dollars and put them into their budget and withdrawn their own dollars, as they've done in the millennium scholarship a number of years back with bursaries to our post-secondary students.

And here again when people were thinking that . . . When they watched the news, or the news clip, or read the news release or the coverage in the local papers of additional federal dollars coming to Saskatchewan to accelerate the twinning, that most people would have assumed, I would think, Mr. Chair, logically, that there should be more overall dollars in the provincial budget for this fiscal year. There is a slight increase but nowhere near the magnitude of the additional federal dollars that are being accessed. And I would wonder if the minister would care to explain what happened to the \$6 million.

Hon. Mr. Wartman: — Mr. Chairman, with regard to the federal funding and our funding and the numbers which the member opposite gave, the fact is that we may have had to reduce our funding for twinning or our overall funding by about \$6 million, but we negotiated long and hard to get federal dollars for which we have no apology at all. Federal government has not come up to the table voluntarily in terms of a long-term program for funding of national highways system and so we have pressed and pressed and continue to press to get the best that we can in any short-term funding arrangement.

So first of all, we may not have had \$6 million — that \$6 million — so the assumption that we've just simply taken the federal to offset ours is inaccurate.

And the second point is that along with the \$296.2 million that we have in our program this year, which includes federal funding, we also have transportation partnership funding of 2.6 million, industry partnerships of 2.85, and centenary funding of 3.17. So that brings us to a total budget of almost \$305 million this year for repairs and improvements.

(15:00)

So any kind of implication that we are not funding as fully as we possibly can the priority of our transportation system from the provincial coffers, I think would be inaccurate. But I think it's . . . I think we're very fortunate that we were able to negotiate a deal with the federal government that in a time of high demand in so many other areas of our provincial budget we were still able to — albeit with that federal funding — provide the second largest budget in the history of Saskatchewan for transportation.

Now I think when we add these other funds in that have come through our partnership relationships that we have worked at developing over the years, I think we will see tremendous work being done to help meet our goals and to help fulfill our vision for building better highways in Saskatchewan.

Mr. Hart: — Mr. Chair, the minister's explanation confirms that in fact in this year's budget there are less provincial dollars than there was last year in the highways and transportation budget. As I said earlier, when the Prime Minister came to town and the minister and the Premier were at the news conference and of course the media was all . . . was there, most . . . I would assume that a lot of citizens of this province would have assumed that there would actually be more money in the highways budget than what we've seen.

And as I said . . . So what the minister had said earlier is that . . . he alluded to the fact that this government may not have been able to keep up to . . . keep their share of funding up to the level it has been in the last couple of years and that they were dependent on federal funding to carry . . . keep the programs going and the construction going.

And I know, speaking to members of the Road Builders Association, they were quite disappointed after the budget was released. They had . . . there was a bit of hope for some additional work and some additional activity in their . . . in construction. With the clawback of \$6 million it really doesn't . . . they tell me it doesn't translate into a lot of additional, extra work, and not the type of work that they were looking for, Mr. Chair.

What I would like to ask the minister at this point in time is, with the early freeze-up and winter weather, early onset of winter last fall, there was a number of unfinished projects around the province, whether they were resurfacing, construction, upgrading, that sort of thing. I wonder if the minister could give us an indication of the approximate number of those projects that weren't completed — I'm talking major projects, major resurfacing and construction — and the approximate dollar value of those uncompleted projects.

Hon. Mr. Wartman: — The officials inform me, just in response to . . . I'll respond to your last question first and then respond to the point that you made earlier.

But first of all, in terms of the amount that was budgeted and the projects that were delayed, it's very, very difficult to quantify the exact shift. Because what is happening all the time in highways operations is, as you're moving towards the end of a season or as you're coming to a point where a particular project is held back, you're trying to get the most effective, efficient use of any resources, any dollars that you have and keep the people moving as fully as you can.

And so in terms of the overall budget, the total dollars were spent in projects that will move the overall program forward, but that might have been some shift into crushing over the winter into winter haul. But all of the funding that was set for road building was absorbed by the projects that were able to move ahead. Those that were delayed by weather, whatever the costs were on that, were shifted — or the savings on that — were shifted into the other programs that would move the whole program ahead.

And with response again to the points about the government overall budget and budget picture and what we're doing in transportation, we made commitments a number of years ago. In '97 we made a commitment to a \$2.5 billion of expenditures

over 10 years. We did not say that those dollars would all come out of one provincial coffer but we did make a commitment for 10 years, \$2.5 billion. We will be seeing . . . that one is exceeded early in the 10th year. The 1 billion, four-year commitment made in '99 will be exceeded in this fiscal year.

The province has been very successful in securing federal funding. We've worked hard for it and we're glad that we've got that funding here. And with that funding we are going to be able to meet our three-year, \$900 million commitment.

So again, any kind of implication that we're not fulfilling our commitments, we're not doing what we said . . . The road builders that we are in constant contact with are pleased that we have the kind of funding that we do in place for our highways and transportation, and they are pleased with the amount of work that we're putting forward.

Of course it would be better if we could do more; of course that would be pleasing to us as well as to road builders. But we are fulfilling the commitments that we have made and we are seeing projects move ahead that many people have been saying they desire. So I think, overall, the member opposite looking at this picture will have to admit that we are meeting the commitments we made; we are not short selling anyone on this front at all.

Mr. Hart: — Mr. Chair, Minister, you said that you've worked hard to secure additional federal funding, and I think we on this side of the House certainly agree that the federal government has a responsibility.

You indicated in your opening remarks that we have about 26,000 kilometres of . . . kilometres in the provincial highway system.

And my question to you would be, how does the funding that your government's been able, the federal funding that you've been able to secure compare to federal funding that, say, the province of Manitoba and the province of Alberta have been able to secure in the last . . . for this current fiscal year? Would you have that information?

Hon. Mr. Wartman: — There are a number of programs that we are engaged in with the federal government. The SHIP funding, which is strategic highways infrastructure program funding, which is population base, and so therefore we're basically on par with our neighbouring provinces there. On the Prairie Grain Roads Program, because we have so many grain-dependent roads in the province, we fare much better than others.

On the infrastructure fund of which we're receiving funding for the twinning, there are different decisions made in different provinces as to what they will request and where they will use that funding. Manitoba, for example, it's our understanding is using the bulk of that funding for flood control and so it's very difficult to compare for us. We felt that our major projects were in Highways and Transportation and so that's where we requested the funding. And we got basically what we were expecting to get from them there.

But there was an additional piece that we got and, in terms of

either Manitoba or Alberta, there has been nothing come forward yet or announced and that is with regard to the Border Infrastructure Fund. And this fund amounts to \$5 million from the federal government, which of course we match dollar for dollar. And this fund will be used to help enhance our border crossings and associated roadways. And we're looking forward to seeing those upgraded, not only for the people in that area but for the whole of the province, and as I was alluding to earlier, also to enhance our trade relationships on the north-south corridors.

Mr. Hart: — Well, Minister, if I heard correctly, the strategic highway infrastructure program, the federal program, is population based. And so what you're telling me is that Alberta . . . or Manitoba and Saskatchewan have, I guess, fairly close to the same population, so then Manitoba received about the same number of dollars as what Saskatchewan did in this current fiscal year under that particular program.

I can see under the . . . this strategic infrastructure fund, governments decide to use those dollars for other purposes whereas, I would assume under the highway infrastructure program, those dollars are devoted specifically to the highways program.

So my question is I would like you to be somewhat more precise as to the actual dollars that Manitoba has got. I think it's important for citizens of the province to be able to compare the effectiveness of your government in negotiating with the federal government as a comparison to what other provincial governments are able to obtain under these specific programs. So if you could be somewhat more precise as far as what Manitoba received under the highways infrastructure program, it would be useful.

Hon. Mr. Wartman: — Well I haven't gone over the Manitoba numbers, but in that it's on a per capita basis over the five years of the program, they would, on a per capita basis, receive the same, on a per capita basis, that we receive in Saskatchewan.

The whole SHIP program is \$600 million and over this period, Saskatchewan will receive \$18.5 million, and the program commenced in the fiscal year '02-03.

Mr. Hart: — Just to return to our earlier discussions that we had as far as federal dollars displacing provincial dollars in this year's budget, would it be a fair statement to say that certainly there will be acceleration of the twinning projects on Highway No. 1 and Highway 16 because of the federal dollars and they're devoted to those particular projects?

But then, would it not also be fair to say that there is actually less money available for the rest of the highway system in this fiscal year?

Hon. Mr. Wartman: — I think to make it very clear at the beginning, that overall there is more money going into Saskatchewan roadways. That's vitally important to recognize that we are tied on many of these programs on matching dollars with the federal government which includes the Prairie Grain Roads Program, and those have to be designated for grain-dependent roads.

But I think just to take a look at . . . You were raising some concerns by the road builders, and I think it's very important to understand that we are providing a 15 per cent increase in earth work this year. So their work is going up on that end. We are providing 29 per cent increase in asphalt concrete work over '02-03.

(15:15)

And though there is a decrease in granular work, one of the things that's very important to remember is that we are also encouraging and using new technologies with the PSI (Pavement Scientific International) process, cement fly ash, and that is demanding less granular work, hopefully building better roads with a more solid base for less dollars.

I think the experience in the member's own constituency would probably make clear that we are making progress here. The investment is a good one, and overall we are seeing an increase in roadwork in the province of Saskatchewan.

So I'm pleased to say that recognition is there, that where and how that roadwork is being put into place may have changed somewhat by the federal government's insistence on matching with new dollars, but still overall more money going into Saskatchewan roadwork.

Mr. Hart: — Minister, I guess the point that I'm making is that following the federal announcement, expectations arose as far as the amount of activity and funding to Highways and Transportation, and then on budget day there was a bit of a letdown. And that's . . . and I think that'd be fair to say that because of the withdrawal of provincial dollars, the federal announcement didn't have the impact that it could have and should have had, Minister.

What I'd like to do is move on and perhaps just discuss one or two policy areas before I turn the questioning over to some of my colleagues. They have some highways questions in each one of . . . in their constituencies that they'd like to raise with you at this time.

What is your government's policy as far as providing primary highways access to areas of economic activity — they may be manufacturing plants; they may be feedlots; they may be hog barns; they may be primary . . . new cement elevators — what is the overall policy if these projects are not located on a primary highway, and yet for them to be efficient and competitive in today's world marketplace they need to have . . . need to be able to ship primary weights?

I know there's been . . . a number of these economic centres of activity have been in conversation with your department and are running into some difficulties in solving this problem of gaining primary weights to their facilities. And I wonder if you could explain what your policy is.

Hon. Mr. Wartman: — Well I appreciate the member's question because there has been a lot of work done in terms of dealing with concerns around primary weight systems and also with the ability to enable and help the manufacturing industry around the province.

One of the things that has been very key in our whole program — and the member will have heard me refer to this a number of times — has been working with the area of transportation planning committees, people who live in the various regions who really keep in touch with what the needs are and who help set priorities for a particular area. And some of the considerations that they are taking into account are: what are the economic developments that are happening in the area; how important are those to a particular area; and where do they fit in terms of the priorities?

We also have a number of ways that we have been helping . . . I mean we've been trying to work with Manitoba and Alberta to deal with issues around weights in terms of dealing with primary weights. We've upgraded a number of highways in the past year so that they can handle primary weights. We do this again in consultation.

One of the other things that's been very important has been work with the transportation partnership program, where companies can join the partnership program and it expands access for primary weights.

Currently, if people are within 15 kilometres of the primary weights — you'll be familiar with that — that they can travel to those roadways. But if they're outside of that primary network, then the things that we have been working with and some of the areas where we have had success is working with the community for alternate heavy-haul routes.

And secondly to work with communities and with industry to help upgrade particular roads so that they will be capable — excuse me — so that they will be capable of handling those primary weights.

We recognize that this is a challenge for the province as we're investing and reinvesting more in trying to upgrade the system, that when you move highways to primary weights the consumption of the asset also increases. And we have to be very cognizant of that and not get ahead of our ability to sustain the developments that we're doing and sustain the repair and maintenance of those roadways that will be handling primary weights.

So we try and do this in consultation with the area transportation planning committees, we try and do it in consultation with communities and businesses in the area, in consultation with our neighbouring jurisdictions, and we are keeping . . . we are very cognizant of the need to continue to grow and develop our economy in Saskatchewan. And so those things all go into consideration as we have upgraded some of our pavements to primary weight . . . on our roadways to primary weight-bearing roadways. And we also, you will recall, expanded a number of those roads from 10-month primary to 12-month primary, which has also helped a number of the industries that are close to those primary weight systems.

Mr. Hart: — Minister, I listened carefully to your response and it seems like your main initiative is the partnership program whereby the shippers are asked to bear part of the cost — whether it be a manufacturing plant or, as I said, a feedlot or grain terminal or what have you. Now it seems to me there are a number of situations in this province, I'm thinking of perhaps

the Trailtech plant down at Gravelbourg or the Bourgault plant at St. Brieux. These plants operate and compete in . . . on a world market. I understand that neither of those two particular plants have access to primary weights because they are a short distance, in one case, off of a primary highway.

It seems to me that if your government is serious about helping their competitive position in the world marketplace, that rather than asking them to help pay for part of the primary weight highway system, that . . . Is it not the role of government to provide the infrastructure so that businesses can compete in the world marketplace, earn foreign dollars, and create . . . or earn tax dollars that they can then pay into the general revenue system, rather than governments asking them to pay for some of the infrastructure and then also governments investing, in some cases, in their competitors.

I'm thinking of Drake Meat Processors versus Harvest Meats processors in Yorkton. It just seems to me that it's a skewed policy. It seems to me that the role of government should be to provide the infrastructure so that these companies can be competitive and be successful right here in Saskatchewan, rather than having to move elsewhere where the infrastructure is provided for them, Minister. I would suggest that that would be perhaps a sounder policy.

Hon. Mr. Wartman: — Well really the question makes me wonder whether the Sask Party would basically just fund everybody who asks for it, whether they would have any regard to the overall asset — makes me wonder how much thought actually has gone into the developing a question or a plan around roadways. Because I did indicate earlier that any movement to primary weight increases the using of that asset, the consumption of the asset. It costs big dollars.

Most of the investment that we're putting into the province in terms of roadways is going into rural highways, into rural roadways. And we are doing this in consultation, as I indicated earlier, with the people from those areas to try and make sure that the priorities that are set are right. And when we're setting those priorities, we have to set the priorities with regard to the whole province.

Let me also take you back to conversations that we had last year in terms of setting priorities around some of these places. I've got to ask the question, why in the world did they build in some of the places that they built when they had no primary access? Why did they not build where they would have access to primary weight? Why did they not build where they would have access to alternate transportation like rail? I mean, if we were just simply to respond to everybody's demand for a primary weight highway to handle the product that they want to send from that place out there, we would shortly have nothing left to provide funding for our primary highways that need work.

So what we're trying to do — in consultation with the people of this province, and that includes people from every region through the area transportation planning committees — are set priorities that are manageable and sustainable so that we can continue to build the whole road network in this province so that it will best enable our economy to grow. So that's what we're doing.

We recognize that there are operations in various places around the province that don't have that access, that wish they had the access. And again, if we had unlimited resources, we would wish that we could provide that access. We don't; therefore we must be very prudent in our planning and in our spending to try and meet those needs as quickly and as fully as we are able using the guidance of the people from those regions.

Mr. Hart: — Minister, I'm not suggesting that this province has the capability to build primary highway to every facility that asks for it. But there are certain centres of economic activity which if you just . . . If a person stands back and just looks at it, it makes a whole lot of common sense that these people — take the Trailtechs and the Bourgaults and plants of that stature that generate a lot of economic activity and a lot of revenue which will help you achieve your 6.8 per cent GDP, growth in GDP, and that sort of thing . . . It would just seem that to the average person, it would just make common sense that you would provide the type of infrastructure that those people require.

Now going back to our conversation of a year ago, when grain companies look at locating grain terminals, there are more things than just the highway. It's absolutely very important the highway is, but it's also access to rail . . . a location where a siding can be built and a number of things besides the highway. And so there are times where grain companies are forced to build in a location where . . . on a secondary highway even though, all things being equal, that wouldn't be their first choice.

And that is the situation in my constituency in the Southey area. We have a situation there where we have 4 kilometres from a primary highway to their plant. It's not on the Prairie Grain Roads Program this year. Why? I know what the answer is — because they don't want to partner with you folks. That's the answer.

Now is that, is that . . . That's your policy then. And so let's make it very clear that investors looking at investing in this province, if they want a . . . if they're not locating on a primary highway, they'd better be prepared to ante up some dollars to help pay for primary access. That is your policy, I understand, Minister. And I don't think that's the type of policy that's going to grow this province.

And we need to have a strategic plan and develop our highways, that we look at our highways as an investment not as a cost. And they will generate and they will pay for themselves over and over again if it's done properly, Minister.

But I don't think we're going to solve this debate today and our time is moving on, and I know my colleagues have some specific questions about highways in their constituency. And at this time I will turn the questioning over to my colleague from Estevan.

(15:30)

Hon. Mr. Wartman: — I think it's important to note . . . You referred to the particular terminal in the Southey area and to the discussions that were had in terms of partnership. Well certainly, we do encourage partnerships to enable the kind of

road delivery system that people are looking for for their industry.

But I do want to also point out that when you ask . . . You asked a question regarding the Prairie Grain Roads and why that particular 4 kilometres was not included. Well we do have a management committee for the Prairie Grain Roads Program and that management committee is made up of three federal, three provincial, two Saskatchewan Association of Rural Municipalities, one Saskatchewan Urban Municipalities Association representative. And these people develop the policy criteria and administer the Prairie Grain Roads Program.

So to get a direct answer on that, the management committee would have that. But they try and . . . To the best of my understanding, they try and put all of the requests from the whole province into the works and make their decisions based on where we will get the best return for those investments overall.

Ms. Eagles: — Thank you, Mr. Chair. Welcome, Mr. Minister, to you and your officials. I appreciate you taking the time to answer some of the questions we have regarding the highways.

Mr. Minister, my first concern is regarding the border crossing at Highway 39. Now I do have a little bit of preamble to this question and it was last fall when I attended a meeting. We were actually discussing the MLC (Midwestern Legislative Conference) conference that's going to be held here in Regina in 2005. And I can remember a member from the government side, specifically the member from Regina Victoria, expressing quite concerns . . . expressing grave concerns about there wasn't any signage at the border crossing at North Portal indicating when you're entering the province.

And I just want to assure him, Mr. Minister, that people do know when they're entering Canada, and specifically Saskatchewan, at that crossing by the condition of the highway. So you know, they . . . As to put up a sign saying, you are now entering Saskatchewan, people do know. They can tell by the condition of their shocks, their windshields, and everything else when they leave that area.

And it is so bad, Mr. Minister, that people, specifically truckers and others, that they're now taking alternate routes. They're going to Emerson, Manitoba as an alternate. And the businesses and customs brokers in that area have voiced concerns about this.

And now I know that the feds have announced the Border Infrastructure Fund for that highway, and you had expressed earlier that you were looking forward to the improvements that will take place. And I can assure you, Mr. Minister, that your anticipation probably pales in comparison with that of the people who have . . . that will have a direct impact on.

Now, Mr. Minister, I was wondering if you could explain to me exactly what is all . . . within the border infrastructure programs, the guidelines. Does it extend a certain amount of kilometres beyond the border, in this case North Portal?

Hon. Mr. Wartman: — I thank the member for her question. And you're probably right that the people who live in the area

are very enthusiastic about the work that will be done, not only at the border but, due to a lot of very, very good negotiating by our team, also to the associated roadways. Because at first the Border Infrastructure Fund was only going to be for border crossings themselves. But we were able to, through diligent work, get associated roadways included as well.

In terms of signage, there will be better signs going up there. And the other . . . I think what's key in this whole process is that this border crossing at Highway 39 is one of the top 10 in Saskatchewan. And we recognize that and therefore what this program actually means, it's not just a \$5 million program, it's a \$10 million program over five years with our matching dollars. And it is again through the negotiations that we were able to have our plan to not only upgrade the border crossing itself, where we have to meet the security standards which will be set in negotiation with the federal government in Canada and in the US. And once we've got those parameters in place, we'll know what our funding is for the border itself and then we'll be funding also the associated roadways and improving those substantially.

Ms. Eagles: — Thank you, Mr. Minister. Mr. Chair, to the minister, do I understand you right? I know that you've said that the federal government put in 5 million, the provincial government is putting in 5 million. Now is this total of 10 million specifically earmarked for the North Portal crossing?

Hon. Mr. Wartman: — Funding is for both the North Portal border crossing and for the associated Highway 39.

Mr. Chair, may I also, while I'm on my feet, request leave to introduce guests?

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Wartman: — I have leave to do this then, do I? Thank you very much. I would like to introduce Judy Bradley, former minister of Highways and Transportation, now school principal and friend. So it's very nice to have you here observing our estimates, Judy, and I hope I'm meeting the standards that were set over the years. And I would ask all members here to welcome Judy.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

General Revenue Fund Highways and Transportation Vote 16

Subvote (HI01)

Ms. Eagles: — Mr. Minister, when you said associated roadways that this \$10 million is earmarked for as well, now that's going to be spread over five years, so that's \$2 million a year, of course. Simple math. But associated roadways, just exactly what does that mean? Is that specifically Highway 39 or are you going to work towards Estevan or what's the scoop on that?

Hon. Mr. Wartman: — I'm losing it here fast. It's the bitter outlook on life that I hear talked about here. Well anyway, I would like to note that with regard to the language around associated roadways, that was the language that was used in negotiation. But in terms of our planning, it is Highway 39 from North Portal to Weyburn that we are looking at the improvements on.

And one other point is that I wouldn't assume that it will break down to \$2 million a year, 10 million over five. But in terms of the breakdown, we'll work on that, negotiate, and hopefully we'll be able to see timely improvements given the Midwest Legislative Conference. Given our province's centenary, we are going to try and make sure that we've got this area in very good shape for those events.

Ms. Eagles: — Thank you, Mr. Minister, and when you said a bitter outlook on life, it wasn't I that said that; it was one of your colleagues.

Another area of concern in my area, Mr. Minister, is Highway 47 South, and as you are aware I've been presenting petitions every day regarding the condition of this highway. And I'm sure if we sat until Christmas, I would probably have enough petitions to present every day.

And, Mr. Minister, I just want to read you a letter I received a copy of, "Dear Sir," regarding Highway 47 South:

We are writing in regards to the unacceptable state of Highway 47 and specifically the portion which commences at Woodlawn Regional Park (south of Estevan) and extends 3 1/2 miles to the south. This highway is a heavily travelled highway which is used by local residents as well as our United States neighbours. I might add that for our neighbours to the south, it is their first impression of our province. This highway is in a terrible state and becoming worse daily. It not only is hard on vehicles, it is a safety hazard which deserves your immediate attention.

With this letter, we must insist that you travel to Estevan immediately to obtain a first hand look at the state of this road. I would be happy to have a member of council accompany you on a tour of the highway.

Once you are able to see the road and confirm our contentions . . . (as to) the road is harmful to personal safety, vehicle repair and tourism, we are sure you will agree to our demand and have this road repaired immediately. Yours truly.

And it is signed by Greg Hoffort, administrator for the RM (rural municipality) of Estevan No. 5.

I was just wondering what your response is to Mr. Hoffort's letter, as well as a response to numerous concerns that I have voiced through petitions in this legislature.

Hon. Mr. Wartman: — I thank the member again for the question. I have been listening to the petitions.

And again in response to the letter, I think it's important to know that I in fact have been down and travelled on 47 with a

local guide to look at what . . . the shape the roadway was in, and I agree that the roadway there is in poor shape. There are a number of plans that are underway and I expect the member is aware of some of those, including Luscar's potential plan to move the location of that roadway, and so that works against decisions to do a major rebuild at this point.

However, recognizing the state of the road, we know that there needs to be work done on the paved section through Luscar, needs to be padding levelling there, there's some severe dips. We also recognize that the TMS (thin membrane surface) section and the gravel section earlier will need work. And they will be of course with the spring, in the worst shape that they are in . . . that they can be in and we're looking at the regular maintenance and work to bring those up to at least a safe standard.

We look forward to Luscar making its decision so that we can then proceed with the partnership and working on getting the appropriate work done on those roads. Thank you.

Ms. Eagles: — Thank you, Mr. Minister, for your response to those questions. And with that, I'll turn it over to my colleagues, and I can assure you that the people in my area will be watching very closely and probably, you know, voicing their concerns if this work isn't done in an appropriate time.

But in the meantime, I do thank you for your responses.

Mr. Lorenz: — Thank you, Mr. Chair. The minister spoke about the importance of having a north-south corridor and I think we can appreciate the value of economic development and tourism and the whole industry within the province and the value that it's got. And we can recognize that in that west-central, northwest region with Highway 21 and Highway 4, the importance of having good roadways going north and south. And I think there needs to be some thought put into, I guess, what the system is going to provide for us through that opportunity as well for those two roadways.

(15:45)

In particular though, I would like to ask the minister, in the sense of what's happening within that west-central, northwest region, of the importance of the west-east traffic that's happening in that area as well, there's some economic development opportunities that have come on to stream. There's also the oil and gas industry that it's developing in that area, and it's coming on quite nicely over this last little while as well, and actually from the oil and gas sales that were made in April there was in fact a piece of property that was sold just west of Wilkie, which was the highest paid piece of property in that region, some 6,000 hectares. So there is some real interest of activity starting to happen in that area as well.

And we know that there's something going on with Highway 14 from Biggar to west of Unity, that there needs to be some work done. And there's some aggregate being placed just west of Wilkie in the sense of something happening in, I think that the kilometres going west of that community, in that sense.

Could the minister speak a little bit about the . . . of the activity that may happen in that area and to what extent that roadway is

going to be repaired?

Hon. Mr. Wartman: — The piece of road to which the member was referring is an AC, an asphalt concrete road, and it is scheduled for resurfacing. And it is approximately 11.1 kilometres. And the cost of the resurfacing there will be \$1.637 million.

Mr. Lorenz: — Thank you, Mr. Minister, for that response. There was some work done to the latter part of last year on 14, that came from west of Unity, through Unity, and went east of Unity, and it was a very thin type of a membrane structure that was put on that road surface. It was kind of a cosmetic type of a facelift that it gave that roadway. And it hasn't really proved that it's going to have any longevity in the sense of having some stability within that roadway.

What is the intent of using that type of a structure and what is the future planning of putting that type of a structure into place as well?

Hon. Mr. Wartman: — The member indicates that some people were wondering if it was a light paving or resurfacing with pavement. Actually it's a process called micro surfacing. It's used all over North America. And basically what it does, it squeegees out the light surface. It takes the ruts out, fills cracks, and increases the lifespan of the road by somewhere in the neighbourhood of five to seven years. And so that's the process that was used there and hopefully it will give us the additional five to seven years.

Mr. Lorenz: — Thank you, Mr. Minister. I guess just for the experience of travelling that roadway over the last little while, it's showing that there's some rutting and that's starting to prove out again in the sense of the traffic that it's carrying as well.

Is there some experience that the present government has had with that type of surfacing that you've placed in other parts of the province that you can, you know, give us some assurances, when that type of expenditure is put onto the roadway, that we know that it's going to give us some value when those dollars are spent in that area as well?

Hon. Mr. Wartman: — We've had actually a number of years of experience with this type of micro surfacing used on Highway 1 and 16 under heavy truck traffic — probably 25 times more than what you would see in the area that you're referring to.

But it's not only our provincial experience that we work with and has given good service in those areas, but we're also looking at other North American experience and we know that it's . . . this process is used in San Francisco area. And there again your traffic volumes are way, way over anything that we see here, and they've had good results with it there.

So if there are some inconsistencies, those will be dealt with in regular road maintenance. But overall, our results with micro surfacing in this province and across North America have proved to be very good value for money.

Mr. Lorenz: — Okay. Again thank you, Mr. Minister. And I

think that roadway maybe needs some attention as far as monitoring and seeing what's happening with the traffic load and the type of traffic load it's carrying as well, because it . . . that's only been down for the winter months and you wouldn't expect through the winter months, with the freeze-up, that you would have that type of an impact on the roadway already.

And that roadway is already starting to show that there is some sections in there that are showing that there is some rutting going on in there. So something has to be addressed there before that road goes back into the condition it was in. And if you travel the rest of that 14 — it's rutted tremendously terrible in other areas as well — that something has to happen with that entire roadway.

Just a question in a sense of policy. When you are constructing road in another area and you're using a roadway — in particular the one I'm referring to is Highway 21 going north of Unity — and you use Highway 14 coming out of the Phippen gravel pit going north to the Adanac corner and then you went north on that corner on to the grid roads to get back onto 21, there was a tremendous cost there. And I think there was a bit of sharing that went on with the Department of Highways with the municipality. But that section between Adanac and Phippen was tremendously rutted from the travelling of those gravel trucks going down that roadway.

What is the policy and sense of, I guess maintaining and looking after that type of a breakdown? And also where's the monitoring that comes in when those gravel trucks are travelling down that roadway and they're travelling at tremendous speeds, sometimes over the speed limit and overweight as well? When you've got gravel running off the sides of a gravel truck, you know you've got the thing well overloaded as well. What is the policy in a sense of being able to monitor those situations and deal with them when something like that happens?

Hon. Mr. Wartman: — Well, first of all, I'm absolutely shocked to hear that Saskatchewan citizens might be going over the speed limit, for one thing; and secondly, that they might be hauling overweight loads in this province anywhere.

But to respond directly to your question in terms of the haul, if there's any haul in there that is Department of Highway's haul for rebuilding, that . . . the weights are monitored right at the pit and they are not paid for overload weights.

So if it's haul for a department project, they are monitored right there, they are loaded at the pit and weighed, and therefore we are not getting overloads on those.

If it's municipal, we rely on our traffic officers for enforcement of those weights, and it's our hope that the municipal governments would also be responsible in making sure that they are not having overweight loads hauled as well.

Secondly — and I think this is very important — that in terms of our project timing, we also try very hard to make sure that the best time for hauling is when the roads are frozen and so we try and haul in the winter time to minimize damage, and that has been our policy. We continue to work on that basis. And so there are some times when we do haul at other times, but most

of our hauling is set for that time.

So we try and maintain our roads. We do count on people following the law. It's our expectation even though we know that some do not. And for our own part, we monitor those that are in contract with us.

Mr. Lorenz: — Okay, again, thank you, Mr. Minister. And I know that particular project, all the aggregate was hauled from the pit right out and it was hauled through the summer months.

There was no stockpiling that was done on-site on 21, and it was hauled right through the summer period of time. And at that time I was working with a business at Unity, and I travelled that road three or four times a day, and when I was travelling at 105 or 110 that gravel truck caught me pretty quick. So even I can travel over the speed limit at the odd time as such.

But that aggregate was hauled by contractors out of there, not your department. Now whatever way you, I guess, determine the value of contractual work or department work, I guess, you know that was the situation with it there.

But I guess the policy is when the road is damaged, you know, due to the fact of that material travelling across that road — and it was very evident what happened that summer there — what is the policy of going back and looking after the problem that was caused on that road surface?

Hon. Mr. Wartman: — Well I suspect the member feels much better after confessing in this House that he was going over the speed limit on those roads. And I can still give absolution, so you now have absolution for your speeding over there.

And I do want to also point out that on those particular roadways there is, simply if the . . . if there is direct damage by the haul, then it is expected that the cost of the contract will increase to cover the repairs. And so . . . But that's if there is direct damage. We do have precedent for that in the past.

However it is our understanding that, for many industrial purposes, at times there is heavy haul and heavy use of a particular roadway. And generally when it's just the kind of wear and tear that is caused by that extended use, that's covered in our maintenance budgets over the years.

So in a particular case like that, our area supervisor will be looking at the roadways, seeing what needs to be done. And if there are repairs needed, those will be put into the list and priorities set for them.

Mr. Lorenz: — Okay. One quick question regarding the twin bridges in North Battleford and Battleford, I guess. What is the future of those bridges? And I guess there's a huge impact to that whole area of the Battlefords for economic values as well as social values of where those bridges are right now, and that they could be maintained into the future. Just quickly, if you can just address that, what the thoughts around that situation are right now?

(16:00)

Hon. Mr. Wartman: — With regard to the Battlefords River

crossings, we have just completed work on the newest bridge last year. There's some work on the roadways. There is still work on the second part of the twinning bridge there. The older bridge of the two needs approximately another \$1 million worth of upgrade. I believe that's being done this year. And so in total for over about six years, \$24.8 million is being put into that particular area to make sure that we have good transportation on the twinned Highway 16.

And we have, with regard to the old bridges that are not a part of the major highway transportation system there, we are negotiating with the municipalities involved. And we recognize that they have some desire for those as some type of transportation. Whether it's motor vehicle transportation from Battleford to Finlayson Island and possibly a footpath on the other bridge, we recognize that there is some planning, some negotiation, some discussion going on about how those will be handled.

But in terms of our overall transportation system, those bridges are not necessary as . . . for handling vehicular traffic, and so appropriate decisions and discussions will happen to find out how those bridges will be used in the future.

Mr. Hart: — Thank you, Mr. Chair. Mr. Chair, as we conclude this session of estimates, I would like to table the global estimates and I would like to thank the minister and his officials for their responses to our questions.

Hon. Mr. Hagel: — Mr. Chair, I move the committee report progress and proceed to estimates of Culture, Youth and Recreation.

**General Revenue Fund
Culture, Youth and Recreation
Vote 27**

Subvote (CR01)

The Deputy Chair: — I'll ask the minister to introduce her officials.

Hon. Ms. Crofford: — Thank you very much, Mr. Chair. Today with me is Angie Gélinas, deputy minister of Culture, Youth and Recreation; Chris Martin, acting director of corporate services; Dylan Jones, executive director, strategic policy and youth; Olivia Shumski, director of Saskatchewan centennial; Carlos Germann, manager, heritage resources; Ron Wight, senior advisor to the deputy minister; and David Debono, president and CEO (chief executive officer) of SCN (Saskatchewan Communications Network).

Ms. Eagles: — Thank you, Mr. Chair. First of all, I'd like to thank the minister and I'd like to welcome her officials here and thank you for taking the time this afternoon to answer some questions we have.

Madam Minister, the first thing I'd like to do is table the request for the globals, and if you would mind completing them and returning them to me at your earliest convenience, perhaps by the time we meet the next time so I can have some comparisons made.

And another thing I would like is, as we have done in previous years, I would like a complete list of the communities and projects that will be supported by the Community Initiatives Fund in the fiscal year of . . . or have been in 2002-2003, and a list of those communities and projects that were denied funding for the same period.

Madam Minister, for the benefit of those who may not be familiar with the Community Initiatives Fund, could you please give us a background on it and why it was established, when it was established, and all the reasons pertaining to that, please?

Hon. Ms. Crofford: — I think, as people will recall, the Community Initiatives Fund was created to distribute a portion of casino profits to benefit Saskatchewan people and communities. And the amount that was established was 25 per cent of the Saskatchewan Gaming Corporation's profit, so that would be the casinos in Regina and Moose Jaw.

Now the specific grants are allocated by an arm's-length board in three priority areas: vulnerable children and youth, problem gambling treatment and prevention, and health care. And starting this fall, the Community Initiatives Fund will be providing grants to support new centennial initiatives that support the three targeted areas including physical fitness, Aboriginal partnerships, and culture and recreation, and centennial capital and programming projects that benefit communities.

Ms. Eagles: — Thank you, Madam Minister. For clarification purposes, would you just provide details on the following. In the fiscal year of 2001-2002, \$7.4 million was directed into the GRF (General Revenue Fund) from the Community Initiatives Fund. Yet in that same fiscal year, 142 projects that had applied for funding were denied. Is this correct?

Hon. Ms. Crofford: — We can't confirm exactly how many were denied because it is community groups that make recommendations to the board of trustees, and regardless of the amount of money, not all projects are approved. Some of them just don't fit the guidelines.

When we do send across for you the list of projects approved and not approved last year, it will give you a better idea of what was and wasn't approved. But I can't give you an absolute number, but I can commit to giving it to you.

But I will emphasize that regardless of the amount of money not all projects are approved, because it's based on the recommendation of local committees.

Ms. Eagles: — Madam Minister, when the money is directed to go to the programs that you had initially specified, a lot of the people in communities are saying that perhaps the guidelines are just a little bit too strict.

Have you worked anything out in that area to make it easier for them to have access to this funding?

Hon. Ms. Crofford: — In actual facts, based on letters from MLAs on the Saskatchewan Party side of the House, from our own MLAs — the first three-year funding strategy is at an end and the guidelines that existed for that three-year period but

we're now entering into a new three-year period — and in fact there has been some substantial adjustment to criteria, both for capital for small communities and as well for the kinds of projects that would be eligible.

So I think people will find that the comments that were forwarded to us from yourselves and others have been used by the board of trustees to revise the criteria and the requirements for matching funds and whatnot, to make this money a little more accessible to smaller communities.

Ms. Eagles: — Thank you, Madam Minister. Could you just give me some examples or an idea of why a community or a project might be denied?

Hon. Ms. Crofford: — One of the reasons would be that they don't meet the requirements for matching monies. Another reason might be that the population area served does not have enough population in it to meet the requirements, because in the instance of smaller communities normally those requests are looked at as a region. And those would be some of the kind of things that would have prevented people from getting projects. There might have already been someone else who received funding serving that same service area.

Ms. Eagles: — Thank you, Madam Minister. I'm sure that there's a lot of cash-strapped communities out there that might have appreciated receiving some extra money to help them out, and it is my understanding that the money in CIF (Community Initiatives Fund) is solely for the purposes of assisting communities that have applied for the various funding projects.

Why wasn't the CIF's generous surplus simply redirected to those community projects that had previously been denied?

Hon. Ms. Crofford: — Yes, I just wanted to be clear on the member's question. There would be two things really at play. One is that again, local committees make recommendations about whether they think the projects are the right ones for their community, whether they're . . . the organization has the ability to deliver the project, etc. And those are determinations that are made locally; we play no role in those determinations.

There's committees that exist, made up of a range of people from all the different human service areas, that make recommendations to the board of trustees of the CIF.

But also there would have been unexpected revenues because once programs get established, then if they're removed people get very upset. And at a certain point when the funding mechanism between First Nations casinos and non-First Nations casinos was established, there was a flip clause which affected how many revenues were retained depending on whether a casino was on-reserve or off-reserve.

So at a certain point there was some revenue left in the fund in order to ensure that, if in fact the flip negatively impacted the total amount of money in the fund, that community groups wouldn't find that they were all of a sudden without their resources to continue valued programs in those communities.

Ms. Eagles: — Thank you, Ms. Minister. Some of the projects that were denied funding last year were a new building for

senior citizens, playground equipment, youth and elder mentoring, curling camp, a youth fitness and drop-in centre, rural family support services, parenting classes, a skate park, gambling awareness, food bank, youth forums, life skills education, stay-in-school programs, inner city hockey classes, teenage pregnancy prevention, and a summer camp for children with acquired brain injury.

Given that the money in the CIF is targeted for projects such as these and since it appears that these programs more than meet the criteria, why would the communities that applied for funding be denied to help see these very worthwhile and important programs completed, or implemented at least?

Hon. Ms. Crofford: — Well you know I'm fond of saying: in Saskatchewan there's a million good ideas a day but you can't fund all of them.

And the . . . again I take you back to the fact that local communities are very involved in these determinations, so there would have been reasons at the local level. And some of them . . . some of the reasons may have been related to priorities in existing services, but some of them may have been related to the criteria. So as I said in an earlier answer, those criteria have been adjusted.

And I would urge people who were not successful under previous rounds to look at the new criteria and to resubmit their applications because I think the criteria are more flexible now and also there is considerable additional funds to expend right now.

(16:15)

Ms. Eagles: — Thank you, Madam Minister. I'm a little bit, I guess, taken aback by your response that there are a good . . . a million good ideas out there and you can't implement them all.

Some of these were for children with acquired brain injury. There's life skills classes, stay-in-school programs, teenage pregnancy prevention. These were denied and \$7.4 million was turned back to the GRF. And you're saying that there are a million good ideas and we can't implement all of them. How about trying some of them?

Hon. Ms. Crofford: — Well again, as hard as the member is trying not to hear what I'm saying, local committees adjudicate these and they would have had reasons why some of those projects were not approved. In some instances it may have been that they felt that there wasn't enough additional resources.

But again I would just say that there is money there, the criteria have been revised, and that certainly I would encourage people to have another go at it. Because this is money that wouldn't have been there before without casinos; it's a new source of revenue and the money is there. We've tripled the amount of funding in the new three-year distribution strategy so I think there's a very good prospect that the local committees would make a decision in favour of more of these projects perhaps than in the past.

Ms. Eagles: — Thank you, Madam Minister. Is there any place that these . . . the people that were in charge at the local level, is

there any place that the people applying for grants could have gone for a second opinion when they were told that they were unworthy of receiving the grant, or is it just cut and dried at that stage?

Hon. Ms. Crofford: — Because the decision is made at two levels — the local committee recommends and the board of trustees either approves or rejects what the community has recommended — I think they would have the ability to write to the board of trustees if they were really not in agreement with the decision.

Ms. Draude: — Thank you, Mr. Deputy Chair. Madam Minister, to your officials, welcome. I have a number of questions but I'd like to start with SCN. I'm wondering . . . I understand the distance learning may not be under SCN any more and may be moved to the Department of Learning. Is that correct?

Hon. Ms. Crofford: — Yes, that's correct. It was determined that the core competencies of the Department of Learning were more related to the delivery side of . . . the content delivery side of distance learning. And SCN primarily is providing the physical capacity to deliver distance education.

Ms. Draude: — So, Madam Minister, does that mean that we basically have a provincially owned television network then?

Hon. Ms. Crofford: — There's three things that SCN is primarily involved in. One is CommunityNet delivery. Another one is all the help desks and everything related to distance ed; they do all the technical stuff for distance ed. And as well there is the broadcast network that broadcasts I think important news, information, stories, and whatnot around and about Saskatchewan that other networks are not as interested in.

Ms. Draude: — How many of the people that are working for SCN are actually doing the support work for distance education?

Hon. Ms. Crofford: — There's three that would specifically be related to the various specifics of the delivery of distance ed — going back to the help desks and whatnot I referred to — and then 20 more generally that support the broader technical capacity of the network that's needed. I guess it's like having a telephone in order to have Internet — it supports the basic infrastructure of the network.

Ms. Draude: — Madam Minister, SCN is receiving about \$1.7 million less this year than it did last year. Is that amount of money being transferred now to the Department of Learning?

Hon. Ms. Crofford: — Yes, it's a straight-across transfer.

Ms. Draude: — So how many of the staff that were with SCN are now with the Department of Learning?

Hon. Ms. Crofford: — There were six; there's now three. Three that were more on the program content side have moved over to Sask Ed and the three that were more on the technical support side are still with SCN.

Ms. Draude: — So six people probably don't account for \$1.7

million. What is the difference?

Hon. Ms. Crofford: — Eight hundred thousand supports what the regional colleges require in order to receive and be participants in the learning network: 600,000 to U of R (University of Regina), U of S (University of Saskatchewan), SIAST (Saskatchewan Institute of Applied Science and Technology), etc., then 200,000 is the actual staff and related costs.

Ms. Draude: — So this amount of money all went into those . . . into the Department of Learning then — the amount of money you just talked about. So right now then SCN is dealing with some of the helplines, and I also understand it's dealing with encouraging the development of Saskatchewan regional Aboriginal content in Saskatchewan.

Does that mean that you have people involved in SCN that are going out and promoting or getting information to actually make films or make . . . develop programs for this issues, and what are they actually doing?

Hon. Ms. Crofford: — The way the system works is licence fees are provided to program producers who are selected because of the quality of their projects and teams.

And we're not the only funder; there's usually a vast array of funders who get involved in a successful request for production support. But in our instance, \$1 of expenditure by ourselves triggers about \$10 in investment from other film sources. So we've triggered, over the time that we've been in operation, about 80 million in production dollars for Saskatchewan producers.

Ms. Draude: — Madam Minister, was it . . . was there any consideration given to moving the helplines to the Department of Learning as well?

Hon. Ms. Crofford: — The technical support part is really related to technical requirements, like the satellite system that supports the Legislative Network, supports CommunityNet. So you would have had to duplicate if you start splitting those off into SaskTel, into the legislature, etc. This is the most efficient way to do it, to have all the technical stuff in one place supporting a wide variety of networks.

Ms. Draude: — Thank you, Madam Minister. My colleague has a couple of questions on that. But I'm going to just ask you on two other issues. One of them is on the heritage operations support. I notice that it's just about double this year. Can you tell me where the extra money is going to this year?

Hon. Ms. Crofford: — Every once in a while we have to thank the federal government for their contributions. The 640 is coming directly from the federal government increase in support to the heritage places initiative program.

Ms. Draude: — So was there any criteria that was attached to this gift from the federal government?

Hon. Ms. Crofford: — Okay. I want to make sure I give you exactly the right information here. Under the federal-provincial agreement, the heritage resources unit will receive 633,000 for

their role in the national historic places initiative.

And what it is actually is a national registry of Canadian historic sites. And I know there's a lot of competition for sites to be part of this registry because it does mean that they achieve, much like the national parks program and whatnot, a bit of a protected status.

The federal government I know is getting very concerned that we were losing a lot of our heritage resources in Canada and decided that it was important, both to know what we have, what our asset inventory is in terms of heritage, but also to make sure that as new projects are being selected for inclusion, that a representative array of historic places and Aboriginal history, the whole entire history of both the province and Canada, would be represented through this Canadian registry of historic sites.

Ms. Draude: — Thank you, Madam Minister. How are communities made aware of the fact that there is double the money now for heritage projects compared to last year?

Hon. Ms. Crofford: — Now there's several parts to this program. It's about preservation, and part of it is training local communities what steps they can take to preserve local heritage. But it's also got to do with the promotion of heritage sites so that these very important assets that we've got, people actually know about them. Because it's one thing to protect them, it's another thing to enjoy them and share them with others.

The normal way that people approach historic designation, there's . . . it's a process that involves municipalities. So in some instances a certain type of designation is done at the municipal level, some is done at the provincial level, and some at the federal level.

But if anybody is in doubt, they should just write to us and we'll direct them to the appropriate place to get all the supports that are possible for a heritage designation.

Ms. Draude: — Madam Minister, municipalities and individuals would have to be aware that the money was there before they could write to you and ask you how they could get the information. So is there some kind of information blitz that's been given to municipalities? Are rural people, as well as urban people, given the opportunity to know about it? And is there more . . . When a decision is made on who is going to be . . . which program or project is going to be shown, how is that decision made? Who makes that decision?

Hon. Ms. Crofford: — Well I guess in the time-honoured process of government, sometimes announcements are made before all the details are worked out. And the federal government is actually working on the package of information that will be provided to people about how to access the resources because again it's not always grants, although there is a grant element involved in all the heritage stuff. But they'll be working on the communications package that will let people know exactly how they can access the supports and resources of this program. And I'm sure that in the process of developing that, they're collaborating with both the province and municipalities to develop that.

But you know this kind of stuff has been around a long time and

most of the people that are involved in heritage have, I think, some idea of how to get hooked up at least enough to get the information they need.

Ms. Draude: — Madam Minister, you indicated that they've actually talked about the program but they really haven't developed the information around it. So are you going to be spending the money this year? Are they going to develop the information and design the program and spend the money this year, or is it something that's going to be actually talked about and then shown again next year?

(16:30)

Hon. Ms. Crofford: — The answer is yes to that. And the Department of Culture, Youth and Recreation, our heritage branch, will be coordinating the Saskatchewan portion once the details are cleared up. But this has been a program that's been under development over the last two years and I think it's just dotting the i's and crossing the t's that's taking place right now.

But again, the registry will be an important part of it because we do have a lot of assets out there that are largely not well identified. And I think this is an effort based on a need that everybody who works in this area saw, to make sure that we not only preserve these assets but that people managing them are better informed about how to manage them, and also that people have access to them through a better promotional effort.

Ms. Draude: — Madam Minister, I am well aware, as are all the members on this side of the House, the importance of our heritage, and the fact that our province is just 100 years old and we're losing a lot of our heritage sites already. So it's very important when we do have some federal money finally coming into this province that people are aware of it.

Can we get a commitment that MLA offices will get some information on this so that we can tell people in our area that there really is some funding available, and that we can start promoting the project ourselves?

Hon. Ms. Crofford: — I'll make that commitment to you today, that as soon as it's finalized we'll get that information right out to MLA offices so people are able to let their constituents know.

Ms. Draude: — Thank you very much, Madam Minister. Can we also get a breakdown of how the money, the \$710,000 for the heritage operation support, was spent last year? I know that there are a number of communities that apply every year hoping that they will get some funding to keep their heritage sites, and often there isn't enough funding to go around. Can you give us an idea of how the money was spent last year?

Hon. Ms. Crofford: — Well the \$710,000 figure is the figure that supports the professional staff such as archaeologists, architects, etc., who are able to do both the analytical, the preservation, and the redevelopment assessment and advice to communities on the particular heritage site they're trying to preserve, and also to do some evaluation of the sites in terms of their heritage value to the province.

And as well, 345,000 in direct grants is administered by the

Heritage Foundation, which is kind of a stand-alone board that receives proposals directly from communities on projects.

Ms. Draude: — Madam Minister, just to clarify then: there's \$710,000 spent on the support staff and \$345,000 spent on the actual projects. Is that correct?

Hon. Ms. Crofford: — Well an important part of a heritage designation is understanding the archaeological, architectural, and other value of the built heritage. So you do need people who are knowledgeable, otherwise it would be like going to a yard sale — everything old would be deemed to have value. And people have to actually be able to both assess the state of — what would you call it? — the state of preservedness of some of this stuff, estimates around what it would cost to redevelop it, etc. There's a lot of technical work required around heritage preservation and archaeological preservation.

Ms. Draude: — Thank you, Madam Minister. The \$345,000 that was spent on actual projects then, can we get a copy or a list of those projects that were actually approved? And is this also money that was spent in museums in the province?

Hon. Ms. Crofford: — Museums are separate but the annual report for the Heritage Foundation, which either you can get yourself or we can get for you, lists all the grants that were given out to communities.

Ms. Draude: — Thank you. My last question, Madam Minister, the \$710,000 that was spent on the support staff: how many people are working in that area of the department and is some of that money actual contracts as well as hiring direct people?

Hon. Ms. Crofford: — It's nine staff actually within the heritage branch and three at the foundation.

But I would have to say even at that, one area where we really haven't done enough yet is in the area of the Aboriginal heritage and archaeology and whatnot. There's a lot of unanswered questions in that whole area about preservation and it's an area that we're doing more work on this year, but we do have one person in the branch who specializes in that area.

Mr. Hart: — Thank you, Mr. Chair. Madam Minister, I'm looking at a news release dated January 25, 2003. The release deals with the funding that was made to the community of Aberdeen for a new skating rink and curling rink, and apparently there'll be other space for other recreation and cultural activities in the complex.

My question is, what are the criteria for . . . that communities must meet to be eligible for funding, as the community of Aberdeen is, and was there something unique about Aberdeen to receive a grant of \$491,500?

Hon. Ms. Crofford: — I think all I'm able to tell you about that project today, that that would have been determined by the committee at the local level, and it was a cultural and recreational complex.

And I suspect that a couple of factors would have been involved. One would have been the population area served. Another one would have been the joint use facility because joint

use facilities are popular in small areas because they can make better use of dollars. And they may have already done some fundraising of their own which gave them a larger matching dollar component that put them up on the list.

But I don't have the actual criteria because again, we don't decide. That gets done at the local committee level. And we could ask that the committee provide that criteria, but we don't actually administer it.

Mr. Hart: — Thank you, Madam Minister. I wonder if you could elaborate on the local committee that makes these decisions. Who is this committee? What's the committee comprised of?

And then also, if you could provide the criteria that this grant was allocated on, and also criteria that other communities need to meet in order to qualify for funding under this particular program.

The Deputy Chair: — I recognize the member from Cumberland.

Mr. Goulet: — Yes, leave to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Goulet: — Yes, I'd like to introduce in the, of course, the Speaker's gallery, we have some special visitors to the legislature. We have, of course, tribal council chief from MLTC (Meadow Lake Tribal Council) Richard Gladue. We also have O'Neil Gladue, who is a vice-chief. And we also have a chief from Buffalo River, Elmer Campbell. And we also have Chief Robert Mitsuing from Makwa Sahgaiehcan and Frank Kytwayhat from Makwa Sahgaiehcan.

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

So I'd like all members to say Ta wow and welcome our special guests to the legislature.

Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — With leave, also to introduce guests, Mr. Chair.

Leave granted.

Hon. Mr. Sonntag: — Thank you very much. And thank you to my colleagues for granting leave.

I of course as well want to take the opportunity to welcome the chiefs here and Grand Chief Gladue as well. Most of them are from my constituency, although not all.

I wanted the member from Cumberland to do the introduction first, as much in Cree as possible because I'm not nearly as versed as he is.

But I do want to welcome all of you here today. It's really a privilege to see you, and I hope I have a minute to chat with you

afterwards. So thanks for coming.

Hon. Members: Hear, hear!

Mr. Wiberg: — Mr. Deputy Chair, with leave to also welcome our guests.

Leave granted.

Mr. Wiberg: — Thank you, Mr. Deputy Chair. On behalf of the Saskatchewan Party, the official opposition, I would like to take this opportunity to also welcome our guests from MLTC here this afternoon. We hope you are enjoying the proceedings so far. And I understand we'll be spending a little time together later on in the week, and I'm looking forward to that very much. Welcome again.

COMMITTEE OF FINANCE

General Revenue Fund Culture, Youth and Recreation Vote 27

Subvote (CR01)

Hon. Ms. Crofford: — I'll just reiterate here a little bit in a general way about the funding criteria. The applications that did not receive funding support didn't meet the following criteria. They didn't have a combined urban-rural population threshold of over 4,500. And they also, excluding the CIF, would have needed to have 75 per cent of their project funding in place at the time of the application.

I'll just mention that there's two types of committees that administer the CIF. The one for community grants to kind of human service organizations, that's a number of local committees. But the one that deals with capital is a province-wide committee of community representatives. There's eight people representing the entire province and the criteria that they would have used in the last round would have been the criteria I just read out to you. But that criteria has been revised as per the member's very early question in this discussion, and we are going to make it easier for communities to meet the threshold.

Ms. Eagles: — Madam Minister, I'd just like to thank you for your time this afternoon. I'd also like to extend my thank you to your officials for being here and helping us clarify some matters. Thank you.

Hon. Ms. Crofford: — Thank you very much for your helpful questions. I know this is a very important area to communities, and anything we can do to make it work better for them is, I think, a good thing to do. Thank you.

The committee reported progress.

The Assembly adjourned at 16:47.

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