

The Assembly met at 13:30.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, I'm pleased today . . . to stand today, rather, to present petitions on behalf of citizens of Saskatchewan who would like to see the government take every possible opportunity to reduce the education tax burden carried by Saskatchewan residents. And the prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly urge the provincial government to take all possible action to cause a reduction in the education tax burden carried by Saskatchewan residents and employers.

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

I so present.

**Mr. Hermanson:** — Well, thank you, Mr. Speaker. I have a petition here regarding the Saskatchewan Crop Insurance Corporation; their announcement that the 2003 premiums charged to farmers will increase by up to 52 per cent and further. Mr. Speaker, the prayer of the petition reads:

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

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

Mr. Speaker, the signatures on this petition are from the Lucky Lake area and from Weyburn.

And I'm pleased to present it.

**Ms. Draude:** — Mr. Speaker, I'm pleased to rise today to present a petition on behalf of my constituents who are concerned about Highway No. 49.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to repair Highway 49 in order to address safety concerns and to facilitate economic growth in Kelvington and surrounding areas.

The people who have signed the petition are from Kelvington, Okla, and Lintlaw.

**Mr. Elhard:** — Thank you, Mr. Speaker. Mr. Speaker, with the Saskatchewan Crop Insurance Corporation announcing premium hikes for the 2003 crop year in the range of 52 per cent, the petitioners from Mendham, Saskatchewan have asked

the following:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary steps to have Saskatchewan 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. Speaker.

**Mr. Hillson:** — Thank you, Mr. Speaker. I present a petition this afternoon, the prayer of relief which reads as follows:

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

Your petitioners come from Battleford and Cando.

I so present.

**Mr. Stewart:** — Thank you, Mr. Speaker. I rise to present a petition signed by citizens concerned with the deplorable and alarming 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 citizens all from the community of Moose Jaw.

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, again today I have a petition to present on behalf of people of my constituency regarding the condition of the highway. 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 the 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 Torquay.

I so present. Thank you.

**Ms. Bakken:** — Thank you, Mr. Speaker. I rise today to present a petition on behalf of citizens of the constituency of Weyburn-Big Muddy who are very concerned about all the highways in the constituency of Weyburn-Big Muddy. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to make the necessary repairs to Highway 13, 35, 18, 28, 6, 34, 334,

and 36 in the Weyburn-Big Muddy constituency in order to prevent injury or loss of life and to prevent the loss of economic opportunity in the area.

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

And the petition is signed by residents of Weyburn, Alida, and Colgate.

I so present.

**Mr. Brkich:** — Thank you, Mr. Speaker. I have a petition to improve Highway 42.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to make the necessary repairs to Highway 42 in the Arm River constituency in order to prevent injury or loss of life and to prevent the loss of economic opportunity in the area.

As in duty bound, your petitioners will ever pray.

Signed by the good citizens of Eyebrow, Tugaske, Central Butte.

I so present.

**Mr. Weekes:** — Thank you, Mr. Speaker. I also have a petition from citizens concerned about the huge increases to the crop insurance premiums. The prayer reads:

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.

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

Signed by the good citizens of Biggar and district.

**Mr. Lorenz:** — Thank you, Mr. Speaker. Mr. Speaker, I have a petition here to save the twin bridges between the North Battleford and Battleford:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take all possible action to preserve the historic, original twin bridges between Battleford and North Battleford.

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

And this petition is signed by Battleford and North Battleford citizens.

**Mr. Hart:** — Thank you, Mr. Speaker. I rise today to present a petition on behalf of constituents concerned with the condition of Highway 22. 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.

As in duty bound, your petitioners will ever pray.

The signatures to this petition, Mr. Speaker, come from the communities of Southey and Strasbourg.

I so present.

**Mr. Allchurch:** — Thank you, Mr. Speaker. Mr. Speaker, I rise today to present a petition signed by citizens of Saskatchewan that are concerned about the crop insurance premiums. And the petition reads as follows:

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

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

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

I so present.

#### READING AND RECEIVING PETITIONS

**Deputy Clerk:** — According to order the following petitions have been reviewed and are hereby read and received as addendums to previously tabled petitions being sessional papers no. 12, 13, 18, 27, 36, and 40.

#### NOTICES OF MOTIONS AND QUESTIONS

**Mr. Allchurch:** — Thank you, Mr. Speaker. Mr. Speaker, I give notice that I shall on day no. 30 ask the government the following questions:

To the minister of Government Relations and Aboriginal Affairs: how many First Nations in Saskatchewan have outstanding claims under the TLE, treaty land entitlement, and which First Nations are these; in the case of each First Nation, how much land is left to be claimed under TLE; and thirdly, how much land has been claimed so far in the TLE process in Saskatchewan?

#### INTRODUCTION OF GUESTS

**Mr. Addley:** — Thank you, Mr. Speaker. It's my privilege to introduce to the Assembly, in the west gallery, my brother Cameron Addley. He's here visiting the legislature for the first time. He's on the spring break from university. He's joined with his three nephews, David, Eric, and Connor and I just would . . . I know that I will be well behaved because they are here. And then they will be off visiting the rest of Regina. So I would ask all hon. members to welcome them to the legislature today.

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

**Mr. Dearborn:** — To you and through you, it is my pleasure to introduce members of the public service seated in your gallery today. We have members from the Agriculture, Food and Rural Revitalization program; the Public Service Commission;

Health; Industry and Resources, Environment; and Social Services; and Government Relations and Aboriginal Affairs. And I would ask all members in the House — as well as Labour and Justice — to join with me in welcoming these fine civil servants. Thank you.

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

**Hon. Ms. Crofford:** — Thank you, Mr. Speaker. As well, I would like to introduce to you and all members of the Assembly, a group of Saskatchewan public servants who are seated in your gallery. I think we bumped into you guys a few times today in the cafeteria and other places. The participants are employees from the departments of Agriculture, Food and Rural Revitalization; the Public Service Commission; Health; Industry and Resources; Government Relations and Aboriginal Affairs; Labour; Community Resources and Employment; Justice; and Saskatchewan Environment. And I look forward to meeting with you just a little bit later. And I ask all members of the Assembly to welcome these folks who do so much good work for the public to the Assembly today.

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

**Mr. Van Mulligen:** — Thank you, Mr. Speaker. Mr. Speaker, it's my pleasure to introduce to you and through you to the members of the Assembly, Mr. Alfred Rogalsky. Mr. Rogalsky is seated in your gallery.

He is originally from Alberta but he has been on the road since 1958. And he's currently residing in Regina for a period of 30 months. He came here from Iqaluit, which is the capital of Nunavut, where he lived for a period of 30 months. Prior to that he lived in Edmonton for 30 months, and prior to that in Fredericton for 30 months, and prior to that in Yellowknife for 30 months, and prior to that in Charlottetown for 30 months, and prior to that in Whitehorse for 30 months, and prior to that in Halifax for 30 months. Prior to that in Victoria for 30 months and before that, Mr. Speaker, he lived in St. John's, Newfoundland for 30 months.

Now do you see a pattern here, Mr. Speaker? The pattern is provincial and territorial capitals and residency of 30 months. His goal is to spend 30 months in each of the provincial and territorial capitals as a means of experiencing all that this wonderful country has to offer. He has lived here for two months already. We can expect to see Mr. Rogalsky regularly in our Chamber.

Please join me in extending a warm welcome to Alfred Rogalsky.

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

**Hon. Ms. Higgins:** — Thank you, Mr. Speaker. I'd like to introduce to you and through you to members of the House, some visitors here this afternoon in your west gallery. Now two of them are constituents, Jerry Zumstein and his son Christopher, but they have with them a special guest that came from a ways away, an exchange student, Simon Beie from Nuremberg, Germany.

Simon is staying in Moose Jaw and attending Vanier Collegiate

until he returns to Germany in the beginning of July, I believe. So welcome to Canada. I hope you enjoy your stay in Moose Jaw and Saskatchewan. And I would like all members to help welcome these guests to the legislature this afternoon.

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

**Hon. Mr. Hagel:** — Thank you very much, Mr. Speaker. It's kind of a good day, sort of a Moose Jaw day. And I spot in your gallery, Mr. Speaker, that I'd like to introduce to you and through you to all members of the Assembly, three constituents of mine, John and Valerie McWilliams and their son Peter.

Now I would like to believe that they came to watch their MLA (Member of the Legislative Assembly) at work, but I'm a realist, Mr. Speaker. I realize that they have a stronger interest than that. John and Valerie happen to be the parents of one of our pages, Luke McWilliams, and I would like all members to join in expressing our appreciation for the good work that Luke does and welcome to the McWilliams from Moose Jaw.

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

## STATEMENTS BY MEMBERS

### Snowbirds' Air Show

**Mr. Huyghebaert:** — Thank you, Mr. Speaker. Mr. Speaker, yesterday the Canadian Forces, the Snowbirds 431 Air Demonstration Squadron, performed their annual acceptance show at 15 Wing Moose Jaw before departing on their show season early this morning. The show was approved by the commander of 1 Canadian Air Division, Major General Mark Dumais.

This year's show has incorporated a number of new manoeuvres and reconstituted a few that were performed in past years. There are several breathtaking crossovers by the solo pilots, awe-inspiring formation bursts, and the ever-present grace and beauty of the formation aerobatics, a true ballet in the sky.

Now in their 33rd season, the Snowbirds have flown 1,835 shows for over 100 million spectators across North America. This year, 65 shows at 41 locations will be performed, in addition to 100 flypasts in commemoration of the 100th anniversary of flight in Canada.

(13:45)

Mr. Speaker, the day's events concluded last night with a formal dinner where the guest of honour — Lieutenant General, retired, Sutherland — spoke about the traditions, heritage, history, and legacy of the Snowbirds.

I'd like to congratulate Major Stephen Will and all of the Snowbird team for their outstanding performances and a fantastic start to their 33rd year. For the upcoming show season, may they have blue skies and favourable winds. I would ask all members of the Assembly to join me in wishing the team a safe and enjoyable air show season. Thank you.

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

### Major Saskatchewan Projects

**Mr. Trew:** — Mr. Speaker, Saskatchewan's future is wide open. Last week I spoke of good economic times all around us. Then as now, the only things falling are welfare rates and the . . . welfare caseloads, rather, and the faces of the Sask Party members because their doom and gloom predictions are just wrong.

Job numbers are up, manufacturing shipments are up, exports are up, housing starts are up. Mr. Speaker, many people and many companies recognize and are benefiting by investing in Saskatchewan. We are on a roll.

Here's a few of this year's over 250 major projects valued at over \$7 billion. Marlin Farms, a 20,000 head cattle feedlot at Mossbank, \$10 million. Newfield Seeds, a seed plant in Nipawin, \$7 million. Days Inn, the new hotel in Moose Jaw, \$4.8 million. Staples Business Depot, a new store, Saskatoon, \$2 million. Babcock and Wilcox, boiler supply, piping supply, Melville, \$26 million. Nexans Canada Ltd., cable supply, Weyburn, \$60 million. No doom and gloom here, Mr. Speaker.

There's growing confidence in Saskatchewan. We will continue to be proud of Saskatchewan people and Saskatchewan companies. We are on a roll. Our future is wide open.

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

### Saskatchewan Party Candidate — Athabasca Constituency

**Mr. Wiberg:** — Thank you, Mr. Speaker. Well, well, well, Mr. Speaker, I have actual good news for the people of Saskatchewan and especially the good citizens of Athabasca constituency.

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

**Mr. Wiberg:** — Mr. Speaker, on Tuesday evening, April 22, 2003, a historical event took place in Beauval, Saskatchewan. An event so magnificent that the current NDP member for Athabasca has been left pondering his own political relevance.

The winds of change are blowing across all parts of Saskatchewan as decades of NDP rhetoric is now falling on ears that have been opened to hope and excitement. For our fair province, not only has rural and urban Saskatchewan seen the light, Mr. Speaker, but much to the chagrin of the NDP Party, northern Saskatchewan has also seen the light.

Mr. Speaker, 250 people packed the Beauval Arena to select a Saskatchewan Party candidate for the pending provincial election. The buzz of excitement at the meeting almost overshadowed the quality of the three people vying for the nomination. Unfortunately only one person could be selected, much to the displeasure of the crowd.

Mr. Speaker, it is my pleasure to announce that Greg Ross, the mayor of Pinehouse, was chosen to be the Saskatchewan Party candidate, beating out Bobby Woods, the mayor from Buffalo Narrows, and Paul Daigneault, an entrepreneur from Beauval.

Three impressive speeches followed by an enthusiastic presentation by the member from Lloydminster had the crowd of 250 literally on their feet. Mr. Speaker, I'm sure that all members on this side of the House are considerably more excited about the selection of Greg Ross than those members on the government side.

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

### Female Board Members in Saskatchewan

**Mr. Iwanchuk:** — Mr. Speaker, I am very pleased to rise in this Assembly and give recognition where it is due. This time I am particularly proud to make the following announcement as it carries exceptionally positive news for Saskatchewan women.

A recent census, Mr. Speaker, produced and released by Women Board Directors of Canada, shows Saskatchewan leads the country in the percentage of board seats held by women directors in Canadian-owned Financial Post 500 companies.

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

**Mr. Iwanchuk:** — Saskatchewan businesses can be proud of their leadership in recruiting women to sit on their boards, and here are some examples. Out of 10 members on SGI's (Saskatchewan Government Insurance) board, four are women. Of all the Farm Credit Corporation's Board of Directors, half are women. Currently there are four female members on SaskPower's 11-member board. The list goes on.

This is clearly an indication of not only strength, dedication, entrepreneurial spirit of Saskatchewan women as they move into prominent positions in the workplace, but is also representative of the kind of society we live in, Mr. Speaker — an egalitarian society. Evidently, Mr. Speaker, the future is wide open for Saskatchewan entrepreneurs in Saskatchewan. Thank you, Mr. Speaker.

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

### Saskatchewan Junior Hockey League Awards

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, on April 15 Humboldt hosted the Saskatchewan Junior Hockey League Awards. Many people were recognized throughout that evening for their talents and abilities. And Bob Beatty of the Humboldt Broncos and Don Chesney of the Yorkton Terriers were chosen to share the Coach of the Year Award.

Beatty guided the Broncos to the league pennant with 87 points during the regular season followed by their first SJHL (Saskatchewan Junior Hockey League) championship since 1989. Beatty is in his sixth full season with the Broncos. Notably, Mr. Speaker, he played hockey for 23 years, including six seasons in the minor pro ranks.

Chesney, the coach of the Terriers, took his team that finished at the bottom in the Sherwood Conference last season and helped raise them to second place this year — a most commendable feat.

Other individual awards were presented to Garrett Cameron of

the Melfort Mustangs, he was the most valuable player and top scorer; to Sean Connors of the Kindersley Klippers, he was the top goalie. Drew Bagnall of the Battlefords North Stars was the top defenceman; Jeff Marshall of the La Ronge Ice Wolves was the top rookie.

And the Graham Christie Memorial Award for the player who displays inspirational leadership and dedication on and off the ice went to Conrad Wilgenbusch of the Flin Flon Bombers. The Kresse-Kruger-Mantyka Scholar Athlete went to Mitch Stephens of the Yorkton Terriers and the Royal Bank scholarship went to Andrew Mievre of the Nipawin Hawks. And the Hockey Ministries International Roger Neilson Award went to Ryan Martin of the Nipawin Hawks.

Congratulations to all those winners of the SJHL awards.

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

### Rural High-Speed Internet

**Ms. Hamilton:** — Thank you, Mr. Speaker. One of the reasons my constituents and the people of the Saskatchewan place a high value on the Crowns is because the Crowns are good citizens.

SaskTel, for example, employs 3,800 people in over 50 Saskatchewan communities. It partners with 140 Saskatchewan businesses. In 2002, SaskTel donated \$1.8 million to more than 1,600 not-for-profit organizations and spent more than \$236 million on materials and services from 4,200 Saskatchewan suppliers.

But not only is SaskTel a good citizen, Mr. Speaker, SaskTel is also very good at what it does. As a direct result of this government's CommunityNet program, SaskTel has been able to expand its high-speed Internet service into rural areas much more quickly than was originally anticipated.

Since 1995 SaskTel has invested more than \$60 million to bring quality high-speed . . . price-competitive, high-speed Internet services to more than 74 per cent of Saskatchewan residents. In fact, SaskTel leads the way in Canada and possibly North America in deploying high-speed Internet into rural areas. And they are currently researching a combination wireless/wire-line service option to help achieve the corporation's future goal of reaching 95 per cent of Saskatchewan's population.

Mr. Speaker, Saskatchewan leads the way in this area because SaskTel, a Crown corporation, takes seriously its responsibility to provide the best possible service to the people of Saskatchewan. Thank you, Mr. Speaker.

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

### Moosomin Moose Raise Funds For Health Care Facility

**Mr. Toth:** — Thank you, Mr. Speaker. Mr. Speaker, on Saturday, April 19, more than 450 people gathered at the Moosomin Communiplex to say thank you to the Moosomin Moose rec hockey team — a group of individuals who so motivated and united Moosomin and surrounding regions in an

effort to raise funds for the health care facility.

Mr. Speaker, after a scrumptious roast hip of beef dinner it was time to meet the managers and players who initiated and then played in two *Guinness Book* record-breaking hockey games. While the newest record has again been broken, the most rewarding experience was to see the region band together raising over \$330,000 as a result of the two hockey games for the new health care facility. Mr. Speaker, a special thank you to the Moose and everyone in the surrounding region for making this fundraising effort and dinner such a rousing success.

Mr. Speaker, I close by thanking the minister as well for giving serious consideration to attending this event. While the pressing holiday season didn't allow the minister to attend, we certainly await an announcement from the province regarding their commitment to this project. Thank you, Mr. Speaker.

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

### ORAL QUESTIONS

#### SaskTel Investment in Craig Wireless International Inc.

**Mr. Wall:** — Thank you, Mr. Speaker. Yesterday we learned that the NDP lost at least 85 million taxpayers' dollars with their Crown corporation investments outside of the province of Saskatchewan. One of these investments was Craig Wireless International Inc. The NDP invested \$10 million in Craig Wireless to provide wireless Internet and cable services in Manitoba, British Columbia, and Palm Springs. Will the minister please tell us, Mr. Speaker, what is the status of this investment?

**Hon. Mr. Sonntag:** — Thank you, Mr. Speaker. Well here we go again with the members from the Sask Party continually criticizing our Crown corporations.

Mr. Speaker, Mr. Speaker, let me say over the last 10 years our Crown corporations have paid to the taxpayers of Saskatchewan 1.6 — I repeat, \$1.6 billion — \$1.6 billion, Mr. Speaker. Last year, Mr. Speaker, last year they paid a dividend of \$300 million, Mr. Speaker, while at the same time providing high-quality service across our province, Mr. Speaker, at the — if not the lowest — amongst the lowest rates in Canada and North America, Mr. Speaker.

What do they want to do? They want to dwell on doom and gloom and they want to dwell on what our start-up costs for launching these companies, Mr. Speaker. They need to look at the big picture and what our Crowns are doing for the people of Saskatchewan.

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

**Mr. Wall:** — What we want, Mr. Speaker, what we want is for the government to be accountable and responsible to taxpayers for the investments that they have made in various companies.

Mr. Speaker, according to SaskTel's annual report, the NDP's \$10 million investment in Craig Wireless is now worthless. The book value of this investment is now listed in the annual report

as zero. According to SaskTel, Craig Wireless has not been able to achieve its business plan objectives and can only continue to operate with further financial support.

Mr. Speaker, the NDP's Palm Springs cable company is now apparently worthless. It needs more money to even stay in business.

Will the minister tell us, will he please tell us the current status of this \$10 million taxpayer investment? Is it a complete write-off or not?

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

**Hon. Mr. Sonntag:** — Mr. Speaker, I'll say it again. What our Crown corporations have done, Mr. Speaker, is returned to the people of Saskatchewan \$1.6 billion, Mr. Speaker — 1.6 billion.

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

**Hon. Mr. Sonntag:** — And they have done that while affording the people of Saskatchewan high-quality service at very, very low rates, Mr. Speaker.

But I ask the Sask Party, what's your position on the Crowns, Mr. Speaker? Mr. Speaker, I ask them what's their policy. What is the Sask Party's policy?

I look through their platform document and I see on the Sask Party Crown corporation resolutions: bullet one, privatization; bullet two, privatization; bullet three, sale; number four, bullet four, privatization — so first four bullets, privatization, privatization, sale, privatization. Their agenda is clear. Why don't they say it?

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

**Mr. Wall:** — You know, Mr. Speaker, you know, Mr. Speaker, we've been referring to this Craig Wireless investment as a Palm Springs cable company, and truth be told, it's not really being fair to the minister or the government. Because as it turns out they didn't just lose 10 million . . .

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

**Mr. Wall:** — Because it turns out, Mr. Speaker, they didn't just lose 10 million taxpayer dollars investing in cable television in Palm Springs, Mr. Speaker; it also turns out that this is a Hawaii cable company, Mr. Speaker. I wonder if the minister even knows it.

I'm sure Saskatchewan taxpayers will be pleased to know that their tax dollars are providing cable television to Palm Springs and Honolulu, Mr. Speaker.

(14:00)

Mr. Speaker, will the minister confirm that the NDP have now lost at least 10 million taxpayer dollars providing cable TV to BC (British Columbia), Manitoba, Palm Springs, and now Honolulu? And if so, why was that never disclosed to the

taxpayers of the province of Saskatchewan?

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

**Hon. Mr. Sonntag:** — Mr. Speaker, let me be clear to the Sask Party and to the people of Saskatchewan as well, Mr. Speaker, who I am sure are interested in this. In the last 10 years there has not been one tax dollar that has flowed from the General Revenue Fund to the Crown Investments Corporation — not one single tax dollar, Mr. Speaker. I ask again those members from the Sask Party to be clear on what their policy is for the Crown corporations.

Mr. Speaker, I look at *The Outlook* of Monday, February 17, 2003 and ask the Sask Party member from Swift Current to turn around and ask the person, the member behind him from Arm River, what he says. I'll tell him what he says. He says:

“There's no set plan that's written in stone,” admitted Brkich. “We'll try a few different things and hopefully they'd work (out, Mr. Speaker).

Hopefully they'd work out. Give me a break . . . (inaudible) . . . can have a plan for the Crown corporations, Mr. Speaker.

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

**Mr. Wall:** — Well, Mr. Speaker, here's what happened. Apparently the Premier and the minister thought they could pretend to be Steve McGarrett and Magnum, Mr. Speaker; but it turns out all they turned out to be was Skipper and Gilligan, Mr. Speaker, on this particular investment. Because based on SaskTel's annual report we know they have apparently completely written off 10 million taxpayer dollars in terms of the NDP's investment in Craig Wireless. It's now worthless.

What we don't know — what we don't know — is if there were also operating losses that SaskTel is responsible for, then and now, Mr. Speaker. And that means that the NDP's loss of \$10 million on this Honolulu cable company could be much, much higher. That's the question for the minister. Are the losses of taxpayers' dollars limited to the \$10 million investment? What is the exposure of taxpayers going forward on the operations of this Honolulu cable TV company?

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

**Hon. Mr. Sonntag:** — Mr. Speaker, I want not only the Sask Party, but I want the Leader of the Opposition, to come clean on what his policy is on the Crown Investments Corporation as well, Mr. Speaker. He should come clean as well. You know I said before, they bob and they weave, Mr. Speaker, and they talk in code, Mr. Speaker, but their agenda is sell. It's privatization, Mr. Speaker, that's what their agenda is. You know and I think when I look at the *Leader-Post*, Mr. Speaker, of April 2, '03, that's of this year, Mr. Speaker, I read this quote and it says:

But regardless of where or if he runs, (referring to) Schmidt said Tuesday he hopes the next government is a minority government because the Sask. Party just isn't ready to run the province by itself yet.

“What the Sask. Party has shown is that it doesn’t appear capable of governing,” Schmidt said, adding that (the) Sask. Party MLAs don’t have enough experience or education and are too easily taken in by “simplistic, right-wing dogma” . . . (Mr. Speaker).

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

**Mr. Wall:** — Well, Mr. Speaker, Mr. Speaker, I’m sure you’ll remember the show *Gilligan’s Island*. There’s a lot of similarities with the NDP government currently. Remember on the show, the Skipper and Gilligan and all the rest of the castaways, they kept trying the same thing over and over again. They kept making the same mistakes and they couldn’t get off the island.

The difference is with this group of castaways, Mr. Speaker . . . And the good news is that the people of the province are getting ready to vote them off the island. That’s the difference. That’s the difference.

But it still leaves a very serious question that the minister hasn’t even come close to. He hasn’t even come close to accounting for the \$10 million in taxpayers’ money that apparently they have now written off.

The question to the minister is this: is this \$10 million the total losses to taxpayers or is there further exposure in the ongoing operation of the company?

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

**Hon. Mr. Sonntag:** — Mr. Speaker, I’ve answered this question 100 times in this legislature, Mr. Speaker. Mr. Speaker, I say to the Sask Party — and if they want to listen they can, Mr. Speaker — our Crown Investments Corporation, Mr. Speaker has a multitude of investments. They have returned over the last 10 years \$1.6 billion to the taxpayers of Saskatchewan — returned, Mr. Speaker. That’s what they’ve done.

Last year they paid a \$300 million dividend. I say to those members opposite, to those members of the Sask Party, Mr. Speaker, what investments last year in their personal portfolios, Mr. Speaker, didn’t lose a little bit of money last year?

If you look at investments across Canada and North America, you can pick any number of investments that lost money. The point is our Crown corporations, Mr. Speaker, operate high-quality service at amongst the lowest rates and at the same time have returned benefits to the people of Saskatchewan by way of a \$300 million dividend last year, Mr. Speaker. I think that’s something we should be proud of.

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

**Mr. Wall:** — Mr. Speaker, the cold, clear fact of all of this is that if it wasn’t for the NDP’s hare-brained schemes out of province, there would have been 85-plus million more dollars for health care and education and, Mr. Speaker, highways in the province of Saskatchewan. That’s what they don’t get. Everybody in the province but the NDP seems to understand that, Mr. Speaker.

Mr. Speaker, two months ago the Premier released his own inquiry into SPUDCO (Saskatchewan Potato Utility Development Company). He was forced to admit that they lost \$28 million and that a minister didn’t tell the truth about the deal — for six long years, mind you. But he said . . . but the Premier said, we’ve learned our lesson; we’re going to be more forthcoming now.

Well, Mr. Speaker, apparently the Minister of CIC (Crown Investments Corporation of Saskatchewan) didn’t get the message, because he stood in the House how many times today and refused to answer the question.

Will the Premier please direct the minister to answer the question? Have the taxpayers lost only \$10 million in this scheme or are they exposed for millions more in the operation of a Honolulu cable company, thanks to the NDP?

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

**Hon. Mr. Sonntag:** — Thank you, Mr. Speaker. Would the Leader of the Sask Party please direct his members over there to listen to the answer, Mr. Speaker?

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

**Hon. Mr. Sonntag:** — And, Mr. Speaker, would the Leader of the Opposition, Mr. Speaker, would the Leader of the Sask Party and everyone over there, kindly get on the same page as it relates to Crown Investments Corporation?

Mr. Speaker, we’ve got the member from Arm River who says that, when we get the best bang for the buck we’ll sell it, Mr. Speaker. We’ve got the member from Swift Current over there, Mr. Speaker, who says, we’re going to do a review.

We’ve got members over on the other side over there as well who say, we’re going to do reviews, Mr. Speaker. Is this BC’s review of core assets as well, Mr. Speaker, who many of them endorse as well, Mr. Speaker? Is that what this review is about?

Mr. Speaker, I say — but I wish they would say as well, Mr. Speaker — this is about privatization, this is about privatization, this is about privatization, Mr. Speaker.

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

**Mr. Wall:** — Well, Mr. Speaker, the minister may be talking about his own annual report for CIC, because the only reason they were able to hand the Minister of Finance any money at all is because this NDP government further privatized its shares in Cameco, Mr. Speaker. That’s how they were able to afford the dividend they paid.

Mr. Speaker, it’s a little bit ironic. This whole Craig Wireless Honolulu investment is a little bit ironic, because we know Craig Wireless Honolulu has about 8,300 customers. That means SaskTel has about twice as many cable subscribers in Honolulu than they do in the province of Saskatchewan, Mr. Speaker.

But they don’t get it, Mr. Speaker. This isn’t their money. This is taxpayers’ money, involuntary shareholders who don’t have

the right to sell their shares if they think the investments that are . . .

**The Speaker:** — Order. I'm just finding it difficult to hear. I'm finding it difficult to hear. Order. Order. If the member would proceed directly to his question, please.

**Mr. Wall:** — Mr. Speaker, the taxpayers deserve to know how much money is being lost. Will the minister please answer that question as it relates to this Honolulu cable investment?

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

**Hon. Mr. Sonntag:** — Mr. Speaker, the privatization of Cameco shares — that is almost laughable, Mr. Speaker.

Mr. Speaker, that member from Swift Current from the Sask Party who worked as a key policy adviser for the minister of privatization in the Devine government doesn't get what privatization is about, Mr. Speaker. I don't believe it.

Mr. Speaker, Cameco is a private company. All of the proceeds that were received from the sale of those shares went to the reduction of debt, Mr. Speaker. Does he have a problem with that?

Mr. Speaker, in the 1980s that Sask Party and their cousins, the Conservative government, would take the proceeds from the sale of assets and direct it to all kinds of things for the buying of votes, Mr. Speaker. All kinds of things.

Mr. Speaker, if he has a problem with what we've done with the sale of Cameco shares . . . By the way, I say as an aside, we sold them at their highest value, unlike what they advised us to do — selling them down here someplace, Mr. Speaker — and reduced the debt for the people of Saskatchewan.

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

**Mr. Wall:** — You know, Mr. Speaker, I don't think the minister actually knew that this investment by SaskTel was in part a Honolulu cable company. I don't think he actually knew the facts of the matter.

And you know, Mr. Speaker, there's a word in Hawaiian we were able to look up today that really encompasses this whole little story. It's ahahanah. And it means at the same time, shame on you and you're going to get it, Mr. Speaker.

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

**Mr. Wall:** — And I can't think of a better word to sum up this particular NDP debacle.

But it is involving taxpayers' money. It involves 10 million taxpayers' dollars and maybe more. And so once again, once again to the minister who is supposed to be accountable to this House and to the people of the province for investments he's made on their behalf through the Crowns, once again to him: will he confirm that the \$10 million investment's been written off completely and detail for taxpayers what their further exposure is in this investment?

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

**Hon. Mr. Sonntag:** — You know, Mr. Speaker, Mr. Speaker, getting advice from that Sask Party is akin to getting advice from the Boston strangler advising you that your tie is too tight, Mr. Speaker.

Mr. Speaker, this is incredulous. You know, Mr. Speaker, I look at the *Times-Herald*, the member from Thunder Creek, and here's his position. He said, first and foremost we will review the four major Crowns. He said, we will return them to their core functions; that will stop them from competing with private business.

Well, Mr. Speaker, he's going to stop them from competing. Mr. Speaker, let's look at this. Mr. Speaker, they're going to put up walls outside our borders — our Crowns can't go out and get revenue. They're going to put walls inside, Mr. Speaker, so they can't compete.

Mr. Speaker, they say that our Crowns can only operate, Mr. Speaker, the Sask Party says that our Crowns can only operate in markets where nobody else is competing. Mr. Speaker, that is in rural Saskatchewan and the ridings they represent.

You might as well sell the Crowns right now while they're worth something, Mr. Speaker. But we don't agree with that. We will grow our Crowns and we will continue to provide the services.

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

**Mr. Wall:** — Well, Mr. Speaker, Mr. Speaker, how in the world can this minister talk about serving rural Saskatchewan? How will he explain to the people of Wood River or Arm River that they can't have basic telephony services in their areas, Mr. Speaker, but he's got \$10 million for cable television in Honolulu and Palm Springs, Mr. Speaker?

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

**Mr. Wall:** — That is absolutely incredible. He doesn't have the money for SaskTel to invest in . . .

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

**Mr. Wall:** — Mr. Speaker, Mr. Speaker, the minister said, the minister and the head of SaskTel have said that they won't get into any more service business arrangements in Saskatchewan unless there's a business . . .

**The Speaker:** — Order, please, members. Order. I'd just ask members to lower the level of discussion across the floor so that the question can be put and can be clearly heard.

**Mr. Wall:** — Mr. Speaker, how in the world can the minister and his hand-picked CEO (chief executive officer), Don Ching, tell the people of the province that there'll be no more SaskTel service in Saskatchewan unless there's a business case, but yet explain to those same people that they're prepared to blow \$40 million on an Australian stock market play, Mr. Speaker? That doesn't wash. And what also doesn't wash is the minister refusing to be accountable for his authorization of expenditure



of the taxpayers' money.

So once again, to the minister: is Craig Wireless still losing money? Are the losses to taxpayers limited to 10 million or have more been lost in the ongoing operation of that company?

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

**Hon. Mr. Sonntag:** — Mr. Speaker, listen to the ridiculousness of this argument, Mr. Speaker. They say, Mr. Speaker, they say that they would not allow any of the investments outside of the province, Mr. Speaker, none of those investments. And they would have so much more money. Yet if you look at the big picture, Mr. Speaker, what has SaskTel done? They are \$100 million to the good, Mr. Speaker — \$100 million to the good — on investments outside of the province, Mr. Speaker. And they would cut that off. Not only that, Mr. Speaker, they'd stop our Crowns from competing inside of the province.

(14:15)

Mr. Speaker, I say again, come clean. Don't hide your agenda. Tell the people of Saskatchewan what you want to do is privatize, Mr. Speaker. That's what they want to do — privatize.

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

#### Location of Crown Corporation Investments

**Mr. Hillson:** — Thank you, Mr. Speaker. When the minister lectures us on the need for our Crown corporations to broaden their base by investing around the world, it seems that invariably he favours tourist sun destinations like Australia, Philippines, Palm Springs, and we have yet . . .

**An Hon. Member:** — Honolulu.

**Mr. Hillson:** — Yes, Honolulu. We have yet to hear of any investment in Nuuk, Greenland.

Now is this mere coincidence that the attempt to broaden our Crowns always seems to be in prime tourist destinations and sun destinations, or are you in fact contemplating investing in some of the less attractive places to visit in January?

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

**Hon. Mr. Sonntag:** — Mr. Speaker, Mr. Speaker, if I could have their attention, Mr. Speaker, let me say this. That member from North Battleford is absolutely right, Mr. Speaker. Crowns' investments are in prime tourist spots, Mr. Speaker. And the prime tourist spot is right here in Saskatchewan, Mr. Speaker.

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

**Hon. Mr. Sonntag:** — Ninety-five per cent, 95 per cent of their investments are made in North America's prime tourist spot — right here in Saskatchewan.

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

**Mr. Hillson:** — I assume the minister just confirmed that the

government will be investing in the North Battleford water treatment plant.

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

#### Registration of Genetically Modified Wheat

**Mr. Hillson:** — Mr. Speaker, Mr. Speaker, the Canadian Food Agency is contemplating approval of genetically engineered Roundup Ready Wheat, and the criteria is to be totally science based and they say they will not consider in the criteria the issue of marketability or cost-benefit analysis. This position is being taken in spite of the fact that 80 per cent of the purchasers of Canadian wheat say that they would not accept GE (genetically engineered) wheat from Canada.

Now in view of the pressing concern of Saskatchewan farmers, APAS (Agricultural Producers Association of Saskatchewan), the Canadian Wheat Board, is the Government of Saskatchewan going to take a public, firm position on the approval of Roundup Ready Wheat?

**Hon. Mr. Serby:** — Mr. Speaker, this is a very good question that the member from North Battleford asks and we are on record, Mr. Speaker, and have been for some time. I've corresponded with the federal minister, some months ahead of when the member from North Battleford has corresponded with the federal minister. And we've said that GM wheat should not be registered in the international marketplace, Mr. Speaker, until two things happen.

One is that, Mr. Speaker, we should ensure that we have the marketplace protected across the world so that our Canadian wheat continues to be the leader across the world. And secondly, Mr. Speaker, that our Canadian wheat doesn't get, doesn't get . . . that we have assurances that we can protect the segregation of the grains, Mr. Speaker.

We've articulated that message to the federal government better than seven or eight months ago, Mr. Speaker. We've said to the federal government, you shouldn't be insuring the wheat so that it can be sold across the international marketplace. And I'm glad to see that the member from North Battleford has now communicated with his federal colleagues and said to them that they should be also making sure that we protect the industry in Saskatchewan and across North America. We appreciate the support of the member from North Battleford on this issue.

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

**Mr. Hillson:** — Mr. Speaker, apart from the particular issue that is before us right now — namely whether or not the marketability of our wheat should be left to the protection of Monsanto or the Government of Canada — there is a larger issue that the Canadian Food Agency says that marketability should not be one of the criteria for approving GE strains.

Will the Government of Saskatchewan go on record and press the Canadian Food Agency to broaden the criteria so that marketability and cost-benefit analysis be part of the criteria for the approval of any new varieties of GE?

**Hon. Mr. Serby:** — Mr. Speaker, we know that the federal

ministry and the federal government has the latitude to proceed to make the kinds of adjustments to the Canadian Food Agency regulations of which the member opposite speaks about. And we've encouraged the member . . . We've encouraged the federal government to proceed down that path, Mr. Speaker, and I appreciate the fact that the member from North Battleford as well is moving down that path.

And I say until we have in Canada and the federal government can identify for Canadian producers and North American producers that we can have identity preservation, Mr. Speaker, and that we can have in the world marketplace today an assurance that we can protect our Canadian wheat product, we are not supporting the procedures, Mr. Speaker, with the receiving of the registration of GM wheat in Canada, Mr. Speaker.

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

**The Speaker:** — Order, please.

#### TABLING OF CERTIFICATES OF ELECTION

**The Speaker:** — Order, please, members. Before orders of the day, before orders of the day it is my duty, members, to inform the Assembly that the Clerk of the Legislative Assembly has received from the Chief Electoral Officer a certificate of the following elections and returns: of Mr. Andy Iwanchuk as member of the constituency of Saskatoon Fairview; of Mr. Walter Lorenz as member of the constituency of Battleford-Cut Knife.

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

**The Speaker:** — I hereby table this correspondence.

#### 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 respond to written question no. 147.

**The Speaker:** — Response to 147 has been tabled.

#### GOVERNMENT ORDERS

#### COMMITTEE OF FINANCE

##### General Revenue Fund Justice Vote 3

#### Subvote (JU01)

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

**Hon. Mr. Cline:** — Well thank you, Mr. Chair. With me today, sitting to my left, is Mr. Doug Moen, who is the deputy minister of Justice and Deputy Attorney General. And to my right is Ms. Betty Ann Pottruff, who is the director of policy planning and

evaluation for the Department of Justice. And right behind me is Mr. Gord Sisson, who is the director of administrative services, and beside him is Ms. Elizabeth Smith, who is the executive assistant to the deputy minister.

And also we have Murray Brown, who is the acting executive director of public prosecution sitting behind Ms. Pottruff. And we have Murray Sawatsky, acting executive director of law enforcement services sitting behind Mr. Sisson.

And at the back we also have, in case we need them, Susan Amrud, the executive director of public law; Rod Crook, the executive director of courts and civil justice division; Keith Laxdal, the associate deputy minister, finance and administration; Gerald Tegart, the executive director of the civil law division; and Lionel McNabb, the director of family justice services.

**Mr. Heppner:** — Thank you, Mr. Chairman. And welcome to the minister and his officials. It's always a good time to be able to get together with a department and the minister and the officials and go through some of the situations that exist in our province and get some clarification on directions and aspirations and all those sorts of things.

But before I get any further into this, I'd just like to have one of the pages take the globals over to the minister to be taken care of so that we get the answers to that as soon as possible. Thank you.

Mr. Minister, as . . . Or through the Chair, very recently the Justice department that used to cover justice and corrections was basically divided up into two or three different jurisdictions. And I know last year, when we went through the estimate part of the session, there was a lot of confusion as to where the areas were. And we talked with one particular minister and he'd say well I think that belongs to the other one. And they weren't even sure; they'd say, I think it belongs.

So I would like for the minister to outline at this particular point two things: what the purpose was — and probably going to end up with more than two — what the purpose was of that division and exactly where those divisions are at present, and if the minister feels it's working well or if there will have to be some further changes down the road to make it work as smoothly as possible for the people of the province.

(14:30)

**Hon. Mr. Cline:** — Thank you, Mr. Chair. This actually . . . In terms of the organization of government, I should say it actually is the prerogative mainly of the Premier. But I'm happy to discuss it briefly in our estimates here because, as the member says, it does touch upon Justice.

I want to say first of all that the member's global questions which are written questions that we've been provided with, as per usual we will get these answers as soon as we can and get those answers back to the member as soon as we possibly can get them together.

I want to say about . . . The decision to have a separate Department of Corrections and Public Safety was motivated in

large measure because there was a desire to integrate correction services for both young people and adults. And prior to the Department of Corrections and Public Safety being created, youth corrections was under the Department of, then, Social Services. Adult corrections was in Justice. But there was a desire to have a focus on corrections as a whole and therefore to amalgamate those two together. And that was done in the Department of Corrections and Public Safety.

**Mr. Heppner:** — Thank you. I would like for the minister to clarify a little further. You mentioned that the youth aspect had been under Social Services and was now fitting under a different department and basically how that has worked. And also as far as the personnel that were working with the youth under Social Services, did they sort of come along or has that department had to train and prepare a whole new set of individuals to work with that?

**Hon. Mr. Cline:** — I want to clarify for the member, Mr. Chair, that this was not an exercise in getting a bunch of new people to handle corrections. The same people that have handled corrections in the past continue to handle corrections. It's just that the youth and adult corrections are in one place and therefore I think it's more focused on the needs of corrections.

But I also want to say that the departments of Justice and Corrections work very closely together. And we have found since the Department of Corrections and Public Safety was created that not only is it a good thing to have the youth and adult corrections services in one place, but also that the Department of Corrections and Public Safety works very well with the Department of Justice. There's a high degree of co-operation and collaboration between the two. And I'm advised that we've found that it really has worked quite well without, without having to hire new people to do it. It's simply a reorganization and an ability to focus on corrections for both adults and youth offenders in one centre.

**Mr. Heppner:** — Thank you, and I think there's some reassurance in the fact that the minister said that no new people were hired. I wasn't really concerned about the new people being hired, I was more concerned whether the people that had worked with youth in Social Services had sort of come along now with that responsibility coming over to your department.

If no new people were hired, does that mean that no one came over from Social Services, or that you're just working with the same number of people you had before and Social Services kept all those individuals that worked with youth prior to this?

**Hon. Mr. Cline:** — Mr. Chair, I don't know really what to say other than there were people that worked in youth corrections in Social Services that I understand were perhaps in several locations because Social Services is organized on a regional basis. There were people that worked in corrections — adult corrections — that worked in Justice. Those people have been brought together in the new Department of Corrections and Public Safety and they have a common philosophy, a common risk-management strategy, and the ability to work together on corrections policy.

And I'm very happy to have this dialogue with this member although I would say that I actually am not the minister in

charge of Corrections, that would be the Minister of Corrections and Public Safety. And he might want to direct more detailed questions about corrections, the way it operates, the philosophy, and so on, to the Minister of Corrections and Public Safety when he continues his estimates in the House.

**Mr. Wall:** — Thank you, Mr. Chairman of Committees, and thank you to the critic and the minister for allowing just one or maybe two questions on another issue entirely.

And it actually relates to a potential private members' Bill that might be coming forward in Ottawa with respect to a new section in the Criminal Code. The Swift Current group of the Students Against Drunk Driving are, first of all I'd just say by way of background, a very, very proactive and energetic group, award-winning group within the whole Students Against Drunk Driving movement and very committed to the cause. And they have undertaken a bit of a lobby of their federal Member of Parliament and of all legislators with respect to changes they'd like to see to the Criminal Code.

It's been their findings through discussions with prosecutors and with the police, that at the scenes of major collisions where there has been a significant injury or death that those are quite chaotic even to the most seasoned police officers. And I'm going to just quote now from the letter they are sending out. They say that:

Circumstances at the scene often prohibit an officer from using the usual tactics in determining whether an individual is impaired. Currently an officer has to form the opinion that the accused is impaired before he or she can demand a blood sample.

And you'd see — I'm not quoting any more — but you'd see where that poses particular difficulty if there is . . . in the case of a victim of an accident, for example. Then they go on to say that:

We constantly see that they are not able to form that opinion.

And they say that cases are being lost as a result of that.

Now it is a federal matter and I understand that, but I wonder if the minister would give an indication to members of the committee as to whether he'd be prepared to raise the matter at a Justice ministers' conference. I'm sure the agendas for those are predetermined far in advance and I'm sure they're quite full, but if he could give a general commitment to raise this general matter with his colleagues and with the federal Minister of Justice.

**Hon. Mr. Cline:** — Well first of all, Mr. Chair, I'd like to say that I congratulate the work of the Students Against Drunk Driving and the Mothers Against Drunk Driving. They do a lot of good work in our communities and it's much needed because it also plays an educative role. It's good to see young people in communities across the province organizing their chem-free graduations and so on. It's a very responsible group of young people.

With respect to the matter the member is raising, I would make

this commitment, that certainly we'd be very happy to look into it. We haven't seen the private members' Bill that is being proposed for parliament. I'd be quite happy to read it and look at it and see if it's something that we would lend our support to.

I'm sure that there are complicated issues that would involve a balancing act between the desire to have the police able to do their job — which we support — and the human rights protections that citizens are entitled to. It's a balancing act between giving the police powers to investigate and ensuring that citizens are not subjected to overly intrusive tactics by police which would be a violation of their human rights.

But having said that, I'm not expressing a conclusion. I'm saying that's the kind of issue that we would need to look at and that would involve actually examining the legislation which we'd be very happy to do. And we'll undertake to get a copy of that, either from the member or in another way, and I'll have my officials look at it and then give some advice as to whether this is something that the province of Saskatchewan would like to take a position on.

**Mr. Wall:** — Thank you, Mr. Minister, and Mr. Chairman. Point of . . . just so . . . I don't think I was clear in the first question. The private members' Bill, I think it's in the draft stage yet so it hasn't been introduced. And no further question, just an undertaking on my part that when there is a draft available I'll make sure that the department and the minister receive a copy for their review. Thanks for the answer today.

**Mr. Hart:** — Thank you, Mr. Chair. I wonder if you could explain the difference in special constables under The Police Act and peace officers. Could you make a . . . Could you give me a distinction between those two classifications of peace officers and perhaps in general terms what duties and responsibilities would go along with both of those two particular designations?

**Hon. Mr. Cline:** — Mr. Chair, in a general way I would say that special constables have the power and authority that they are given really in their appointment, which is made by the government. And sometimes they work for police forces and sometimes they work for other agencies.

They do not have full powers of police officers. They do not . . . For example, they do not have the right to carry firearms. They usually have limited functions and are appointed for a limited purpose such as receiving information that only a police officer would normally be entitled to receive, serving documents, and so on.

And I'm advised that special constables, in effect, are appointed to do a limited number of things in order to assist the police or relieve police or co-operate with the police so that the police can be out doing the major things they need to do to deal with crime or prevent crime. And the special constables can do some things of a more administrative nature.

**Mr. Hart:** — Minister, would I take it from your comments then that when you refer to a peace officer and a police officer that in fact they are both the same individual, there is no distinction under law between a peace officer and a police officer, however there is certainly a distinction between a peace

officer and special constable?

**Hon. Mr. Cline:** — Yes, I should clarify, Mr. Chair, that there is a difference between the term, peace officers, and police officers. All of the people that the member has referred to and that I've referred to, they are all peace officers.

The police are peace officers; the special constables are peace officers; people that work enforcing The Highway Traffic Act are peace officers — but not all of them are police officers. Just the police are police officers. And then the special constables have their duties which are set out in their appointments. And the highway traffic officers would have their duties which also would be designated in their appointments.

(14:45)

**Mr. Hart:** — Minister, just for further clarification on special constables. Their duties are . . . I understand from your comments then that their duties are defined by their appointment. Is that . . . Or is there sort of a blanket set of duties and authorities that go along with that designation?

**Hon. Mr. Cline:** — I'm advised, Mr. Chair, that every appointment of a special constable contains the list of duties that that special constable would have.

**Mr. Hart:** — Minister, you mentioned the highway traffic officers. From your perspective as Minister of Justice, what is their role as . . . what role do they play as being a peace officer? What Acts are they authorized to enforce and what responsibilities would they have in enforcing those Acts?

**Hon. Mr. Cline:** — I'm advised, Mr. Chair, that the people that enforce the highway traffic . . . Well the highway traffic officers, they enforce the highway traffic laws — usually things like weights and measures, regulations under The Highway Traffic Act, certain trucking statutes that the province has; and that they may have power also in certain emergency circumstances to operate as peace officers.

But I should point out also that they are under the authority of the Minister of Highways and Transportation. The Minister of Justice is responsible for policing services. The Minister of Highways and Transportation would be responsible for the highway traffic officers.

**Mr. Hart:** — Minister, I'm looking at the job description of the highway traffic officers and one of the duties — in fact the last one listed — is enforce provincial and federal rules of the road. I wonder if you could expand on what that means and what requirements and what type of duties that those individuals would have.

**Hon. Mr. Cline:** — Well I think the member has actually described it reasonably well. They have the power and authority to enforce the federal and provincial rules of the road.

But I should point out that, you know, the rules that they enforce are not all the rules of the road. It's the primary responsibility of the police for example to enforce the, you know, the speeding laws. They are more concerned about — I think — weights, road restrictions, that kind of thing. And only

in emergency circumstances would they do the things that police would normally do such as enforcing the speeding laws for example.

So they do have certain powers. They do not enforce them in areas where the police would normally operate, and likewise the police will not concern themselves normally with regulations of a nature that the highway traffic officers would normally enforce. There's a demarcation between what the police will be responsible for and what the highway traffic officers will be responsible for, and I would leave it at that basis.

**Mr. Hart:** — Minister, would it be fair to assume that the highway traffic officers would enforce rules of the road in areas of the province perhaps where the RCMP (Royal Canadian Mounted Police) and highway patrol coverage is perhaps not to the standard that people would like to see it? And I guess the second part of my question is: do the highway traffic officers have a responsibility under the laws of our province to in fact enforce rules of the road when they see infractions occurring?

**Hon. Mr. Cline:** — The answer, Mr. Chair, is no. They are not expected to fill in, as it were, for the police where the police are not present. There may be some emergency circumstances where someone has to do something, and if they have the authority, they will do it. But they are not a police force in the sense that the police are, either municipal police force or the RCMP.

And what I would be willing to do, if it might be helpful also, is to perhaps provide the member with a written description of the things that are done by the highway traffic officers, and going back to the special constables, on a routine basis and how that differs from what the police would normally be expected to do.

**Mr. Hart:** — Thank you, Minister. I certainly would look forward to that information. I think it would be very helpful in understanding the difference and those sorts of things.

I just perhaps . . . one final question in this area. I'm told that a number of drug busts, for lack of a better term, that have occurred on our highways, a number of them actually have been initiated by the highway traffic officers making the initial stop of the vehicles and that sort of thing. I'm just wondering if in fact there is statistics that actually document that or is that just one of these rumours that we hear?

**Hon. Mr. Cline:** — I would put it this way, Mr. Chair. There is a responsibility on the part of the traffic officers to notify the police in the event that they become aware of some items — drugs, illegal drugs, and so on — that are present in a vehicle. So that they co-operate with the police in that regard and that's their responsibility.

There have been a few instances where the presence of illicit drugs has come to the attention of the police through the efforts of the traffic officers who are out doing a very good job. And in the main however, the police themselves of course detect where illicit drugs are and they're responsible for doing that.

And I should say while I'm on the topic, that the RCMP in Saskatchewan do a very good job of that — of detecting illicit drugs and trying to prosecute people who are involved in illicit

drugs.

So it has happened on occasion. Is it a regular or common occurrence? Well commonly it would be the police that would themselves be identifying material of that sort.

**Ms. Julé:** — Thank you, Mr. Chairman. Good afternoon to the minister and to his officials.

Mr. Minister, I wanted to ask you a couple of questions surrounding policing costs for the municipalities. Mr. Minister, if RCMP live in a town in Saskatchewan and have their barracks in that town, do the citizens of that town have to pay more per capita for policing costs than do the surrounding RM (rural municipality) areas?

**Hon. Mr. Cline:** — Yes, that's correct, Mr. Chair.

In fact, in anticipation of other questions, I could point out that if you are a community over 500 people with a detachment, then you pay \$57 per capita for police services. If you have no detachment in the community you pay \$42 per capita. If it is a community under 500 people with a detachment you pay \$40 per capita. If you are under 500 with no detachment you pay \$20 per capita. And if you are a rural municipality you also pay \$20 per capita.

**Ms. Julé:** — Thank you, Mr. Minister. Mr. Minister, I would ask you why that kind of a formula was set out?

**Hon. Mr. Cline:** — In general terms, Mr. Chair, the formula is arrived at by the Department of Justice in consultation with the Urban Municipalities Association and the Rural Municipalities Association. So I'll make that comment first of all.

The second comment I'll make of course is, as with many issues, the problem is what is fair depends upon your vantage point and what some of the communities think is fair is not the same as what other communities think is fair, so that you never get complete consensus on how these costs should be distributed. And someone always thinks that somebody should pay more and that they should pay less. And sometimes the opposite is true of the same people; the people that are supposed to pay more actually think they should pay less and somebody else should pay more.

So it's not an easy issue any time you're talking about things like taxes or how you're going to . . . how the community's share of policing will be paid for. That would be my first observation.

My second observation would be that it reflects in part issues of tax base. I think it's fair to say that larger communities will have a larger tax base. They will have greater capacity, generally speaking, to pay more of their police costs. I think that's just common sense.

My third observation would be that the feeling as part of this formula is that if you have a detachment in your community that, you know, it's an economic advantage simply to have a detachment in a community — so that's a good thing. And I think it gives the community a feeling of greater security to have a detachment in the community. Of course you can't have

one in every community, but where you do have one generally I think people see that as a positive, a positive thing.

From the government's standpoint of course, safety and security are very important. We try to work with the police and communities to ensure that there is some police presence across the province, as well as on strategies to reduce crime, and that's what we're doing.

We contribute about \$88 million to support policing across the province and the communities also contribute on a per capita basis in the amounts described, ranging from \$57 per capita where . . . We're talking about the RCMP here, I should say, because of course some of the communities have their own police force such as Regina and Saskatoon. But if they don't, the cost of the RCMP service ranges from 57 in the communities with a detachment down to 20 to the rural municipalities.

(15:00)

**Ms. Julé:** — Thank you, Mr. Minister. Mr. Chair, to the minister. Mr. Minister, was there an agreement by the Urban Municipalities Association, that's sort of an agreement across the board, that towns in Saskatchewan — town or cities that have an RCMP detachment — would pay more per capita for that service than would the rural municipalities around?

**Hon. Mr. Cline:** — I believe it is the policy of SUMA (Saskatchewan Urban Municipalities Association), the urban municipalities passed at, not this year's convention but, I think their 2002 convention, that they . . . in answer to the question, yes. They believe there should be a difference between if you have a detachment you should pay more than if you don't.

And I believe their resolution and policy was that if you have a detachment you should pay \$40, \$45 per capita instead of the 57. And if you don't you should pay \$30 per capita.

Now you can see that that would involve a reduction in what the urban communities would pay over 500. And they also I think would say that a lot of the lost costs should then be transferred to the smaller communities and the RMs, and they would say that they should all pay more than they do now. And as you can imagine, the larger centres are all in favour of that because they'd pay less, but the rural municipalities aren't in favour of it because they'd pay more.

And there already has been an adjustment — I believe it was about five or six years ago — where some of the costs were taken from the larger urbans and transferred to the smaller communities, which still pay less. But at one time they were paying nothing and it was thought to be fair that they should contribute some. And the larger communities got a break. I mean, they'd be paying a lot more if it wasn't for that readjustment that occurred a few years ago.

And yes, the larger communities would like to make some more changes. They would like to see the cost come down for them and they'd like to retain the difference in cost, whether you have a detachment or you don't. But they want some of the cost to be transferred onto the communities less than 500, plus the RMs. And this is where you're not going to get consensus

beyond the larger communities because the smaller ones and the RMs don't want to take on those additional costs.

**Ms. Julé:** — Thank you, Mr. Chair. Mr. Minister, if there was an agreement by SUMA to levy a higher per capita tax, you could say, or cost for RCMP policing, if in fact there's a detachment in a community — whether it be a smaller community or a city — the community of Vonda is wondering what the reason is then that Saskatoon with their new barracks are not having any cost increases for their policing.

Citizens there don't pay to have the barracks in Saskatoon, whereas the community of Vonda was told that the reason that they had to pay a higher per capita rate for policing, for RCMP policing, was because they had a barracks in that community. So we need to have some rationale for some of the decisions being made.

**Hon. Mr. Cline:** — Well the answer is that the barracks in Saskatoon, yes, is located in Saskatoon; actually, it's on the outskirts of Saskatoon, the new one that's being constructed. But that is not for police officers just to work in Saskatoon. That is for police officers that will primarily work in rural Saskatchewan. They just happen to have their barracks in Saskatoon. That's one major difference. Rural Saskatchewan benefits from that RCMP barracks in Saskatoon. They provide service in rural Saskatchewan.

The other major difference is of course, as I indicated earlier, the city of Saskatoon is one of the municipalities that has its own police force. So in Saskatoon the citizens pay for policing by paying their municipal taxes which then the city council uses to hire the police and they have a very . . . fairly large police department.

In Vonda they don't have their own police department; they rely on the RCMP. And instead of hiring their own police, they participate in the cost of that policing. But in both cases the communities pay for policing.

I want to point out that in Saskatoon we would estimate that the cost on a per capita basis would be \$150 — \$150. That's what the average citizen would pay for police services in Saskatoon. So it compares quite favourably to asking the people in Vonda, for example, to pay the . . . I guess it's the \$57 because they have a detachment.

There is a cost that Saskatoon must pay per capita as well, and it's actually considerably higher. This is a situation where, like taxes, it almost doesn't matter what the amount is, there will always be arguments that my amount should be less and somebody else's should be more.

But I do want to assure the member that even though the citizens of Saskatoon may not pay the \$57 per capita for RCMP costs, they will pay approximately \$150 per capita to have their own police force, which they do.

**Ms. Julé:** — Thank you, Mr. Minister. I appreciate those answers. You had made mention a couple of answers ago that the communities over 500 have a greater capacity for taxes and so they would be expected to pay more for RCMPing costs.

Well again I refer to Vonda, and Vonda has under 500 people. They don't have a great capacity for taxing their people and still they are paying quite a large amount as compared to the surrounding RM areas.

From my understanding, the surrounding RM areas are paying \$18 per capita, and the town of Vonda, citizens within that town are paying well over 40-some dollars per capita. So there's quite a discrepancy there, and of course their rationale is that the RCMP serve the surrounding area as much.

And I know that this argument and discussion has gone on in the last few years at SUMA conferences and everywhere, but it seems that they . . . when they were asking your government — your department — why the discrepancy, the answer they got was that it's because you have a barracks in that community.

So they did not speak of the greater capacity for taxes or not. They just said simply because you have a barracks in that community, there is an automatic increase — and quite a high increase — in their per capita rate for RCMP policing.

So that's why I asked you, Mr. Minister, whether or not that is the rationale because the barracks is located in a community. Because if that is the rationale then it seems that in the mind of the people in that area that there should have been an increase in Saskatoon also for the RCMP policing because the RCMP barracks are located within the perimeters of Saskatoon.

**Hon. Mr. Cline:** — Well I want to say first of all, Mr. Chair, that we are always willing to engage in discussions with SUMA and SARM (Saskatchewan Association of Rural Municipalities) to revise the formula for policing costs.

But I want to say to the member that, you know, she's getting into an area which is a very no-win area because essentially what she's saying is, well in Vonda they're paying 40 or \$42 per capita for their RCMP; the RM people are paying less. And she's saying that the people in Vonda say, well we should pay less and the people in the RM should pay more.

Well the people in the RM would say, well you've got the detachment in Vonda so you've got a closer police presence plus there are more people there to support a tax base.

And I would invite the member to take up her comments, if she's saying that the RMs should pay more, with the RMs in her constituency; because I think what she's going to find is that the RMs do not agree. They think that the present system is fair.

So I say to the member once again, that yes I understand that there will always be somebody that says, I don't like the formula; I should pay less; somebody else should pay more. In fact the people of Vonda pay less now than they would have if we had not made the changes we made five or six years ago, where it used to be communities under 500 with no detachments and RMs paid nothing for police services even if they received them. We have changed that to shift some of the cost to the communities under 500 and the RMs.

The member may be suggesting that we should shift some of the cost more. And I invite the member to take that up with the Saskatchewan Association of Rural Municipalities because

what she will find and she already knows is that they will say, well they don't agree. So having said that, I'll say we'll continue to talk to SUMA and SARM and make changes that are fair.

But I want to say to the member also, that in sort of getting into the area that, well somebody is saying that the people of Saskatoon aren't paying more when they have an RCMP detachment, I say to her again, the people of Saskatoon, the people of Regina, the people of Prince Albert, the people of Moose Jaw, the people of Estevan have their own police forces. They do not rely upon RCMP to provide municipal policing. And of course that has to be paid for by the taxpayers.

And the people of Vonda should not be under the impression and nor should the member, that taxpayers in Saskatoon do not pay for policing because they do.

And the per capita costs, for example, of policing — I said approximately 150 — I'll tell the member what they are in those centres that have their own police forces. In the city of Regina where we presently sit, the cost is \$201 per capita. In the city of Saskatoon, the costs are \$167 per capita. In Moose Jaw, they are \$165 per capita. And in Prince Albert, they are \$182 per capita.

So there should not be anyone in the province of Saskatchewan that says, well we have to pay \$42 or \$57 per capita and what about the people in Saskatoon? That is not a sensible argument because the simple fact of the matter is, and I repeat, the people in Saskatoon pay about \$167 per capita. That's the cost of their police force. They definitely pay for police. And for us to get into a discussion about people in rural Saskatchewan are paying something and people in big cities aren't paying something, that's a nonsense argument. And I hope we don't hear that question again.

**Ms. Julé:** — Thank you, Mr. Chair. Well, Mr. Minister, it is your responsibility to ask . . . to answer questions. I think you understand that. And I think you understand clearly that I have brought these questions to you from people that are citizens of this province and who want some answers.

Now it is you who is putting words into my mouth, Mr. Minister, when you talk about starting an argument between urban and rural municipalities regarding police costs. That was not my intention and I think you know that, Mr. Minister.

Mr. Minister, I wanted to know — and what this discussion was intended to be about — was how the formula was derived at. Because there is a large discrepancy between the communities where there's a detachment, the per capita costs for those citizens, and the costs for citizens in the surrounding area.

Now \$30 per head, that's about . . . a discrepancy of about \$30 per capita difference and that's quite a large amount. So my questions to you were intended to find out just where the formula came from — why this is that there's such a great discrepancy, especially in a community under 500 people where the RCMP certainly serve that community very well and serve the surrounding area well. But the service they provide would probably be just as much towards the people in the surrounding RMs as to the numbers of people in the community. So I would

like to focus, if you would, Mr. Minister, on just answering why the discrepancy is so large.

(15:15)

**The Chair:** — Why is the member from Cumberland on his feet?

**Mr. Goulet:** — Yes, leave to introduce visitors?

Leave granted.

### INTRODUCTION OF GUESTS

**Mr. Goulet:** — Yes, Mr. Chair. I'm very, very pleased to introduce in the Speaker's gallery the people who work very hard to, in this province through the friendship centre system. We have people from all over the province, Mr. Speaker, and I'd like to say as well, welcome in Cree.

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

Mr. Speaker, as I was mentioning in Cree, you know, the values of helping each other, you know the values of friendship are an important and integral part of the friendship centre movement.

And with that I will introduce the members. There is Allan Dreaver, Gloria Belcourt, Conrad Lavalley, Gaynard Dumont, Rose Pfeiffer, Marjorie Hanson, Joey Thompson, Gerid Coates, Whitefish, from Battleford Friendship Centre; Fred McCallum, Rae Leibel, Ricky Campbell, Warren Isbister, Billy Kennedy, Jackie Kennedy, Becky Trotchie, Serge, Paul Daigneault, Winston McKay, Maurice Aubichon, Michael Maurice, Earl Monkman, Ron Woelk, Ron Gamble, Carol Friedhoff, Corina Poochay, Julie Pitzel, Ashley Norton, George Raymond, Janelle Roy.

Please welcome them to the House.

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

### COMMITTEE OF FINANCE

#### General Revenue Fund

#### Justice

#### Vote 3

#### Subvote (JU01)

**Hon. Mr. Cline:** — Thank you, Mr. Chair. Well the member was saying it's my responsibility to answer questions. I'm more than happy to answer the member's questions, and the record will show in fact that I have repeatedly now answered her questions, and I'm happy to do so, and I'll answer them as many times as she wants to ask them.

But I do want to repeat to the member that there . . . she's saying that, well some of the municipalities are paying too much and there's a big discrepancy between what others pay, and she says the discrepancy is too large. And what I've been trying to say to the member is that the problem she's going to have is, if she finds that she wants some communities to pay less, other communities are going to have to pay more. And

she's going to find that it's quite a complicated system to try to get everybody to agree on what everybody should pay. And some of the communities think they should pay less and others should pay more.

But I want to say to the member once again that the simple fact of the matter is that, prior to 1999, some of the communities — I believe the communities under 500 and the RMs — paid zero per capita. They paid zero per capita. Some of the communities paid up to \$99 per capita. So the discrepancy at that time was zero to 99. It's a discrepancy of \$99.

Now the member is saying, well some of the communities pay \$20 per day, or per capita now, and some of them pay 57, and some of them pay 40-some. So there's a discrepancy. Yes, there is a discrepancy. It's smaller than it used to be so we're making progress, and in fact if that's the member's problem, she should be acknowledging that, you know, we've made some progress and there's less discrepancy than there used to be.

But I also want to say to the member that we have to be very honest and upfront with people. And the reality is, if we say to the people in Vonda — who by the way, their rate if we hadn't made the changes that we've made, might be closer to 80, 90, \$100 per capita today instead of 40-some because we transferred some of the costs from the larger urbans or the urbans with detachments to others who didn't pay anything before. But if she wants to do that, she also has to be prepared to go to the other communities and say, and you're going to pay more.

And the member will find — I'm not disagreeing necessarily with readjustment but we have to have consultation with the small communities and the big communities — and the member will find that when she goes to some of those small places and the RMs, they will say to her, we don't agree with you. We don't think we should pay more. We think we've taken on more of the burden than we used to have.

So I don't know how to make it more clear, but the discrepancy is smaller than it used to be. If the member feels the discrepancy should be eliminated and that everybody in the province should pay the same, the member should say so. The member should say so, if that's her view.

And if that is her view and the policy of the Saskatchewan Party, we will take that out to the communities and we'll tell them that that's her view. And I'd be interested, Mr. Chair, to knowing is that her view — that it should be a flat per capita rate across the province? Or alternatively, if she doesn't like . . . the distribution is between the urbans and the rurals now, what is her view as to how it should be distributed? Perhaps the member could enlighten us.

**Ms. Julé:** — Thank you, Mr. Chair. Well, Mr. Chair, the minister insists on getting into a political debate. The minister, the minister wants to get into a political debate. The minister doesn't seem to have the decency, Mr. Chair, to answer the questions just as they are put to him as a question and, two, to come up with a clear answer about why the discrepancy is there.

Now he has certainly talked about, well you can't please everybody, you have to put the money . . . the money has to



come from somewhere. Before 1999, it was worse. I mean, it was not as . . . There wasn't as great a level playing field. Well there's no level playing field now anyway.

Mr. Minister, I wonder if I could just ask you one more question and hopefully get just one answer, a straight answer without a political debate. Did the province, Mr. Minister, did the province create the formula for RCMP policing or is it negotiable based on whenever there is a discussion that may come up as to what the cost will be for a community as opposed to RMs in a certain area?

I just want to know if the province has created a formula that is used across board or whether it's negotiated with communities as the question comes up yearly or whatever the case may be.

**Hon. Mr. Cline:** — Well I want . . . Yes. I want to say, Mr. Chair, that I am trying to answer the questions of the member in as helpful a manner as I can.

And I would just point out to the member that she has the right to write the questions, but she does not have the right to write the answers. And we're entitled to give the member factual answers. If the member doesn't like the answers, well that's the member's prerogative. I can't make her like the answers, Mr. Chair.

I do want to say in answer to the question — and I'm answering her question that she asks: is this something that is negotiated directly with each community or is it an across-the-board kind of system — it is something, as I've pointed out I think several times in my answers, that we discuss the matter with SUMA and SARM. We try to come up with as best a consensus as we can.

And then, once that consensus is arrived at as to how much each person in each community should pay per capita, that is an across—the—board system that will be applied across the province. And the amounts per capita are, as I described in the answer I think to the member's first question, it varies from \$57 per capita down to 20. And the reality is that there has been some readjustment so that some communities pay more, some pay less.

While I'm on my feet, I should say I'm not sure that what I said about the community of Vonda is accurate in the sense that I've been advised that Vonda is fewer than 500 people and they have a detachment. I think there may have been a time when Vonda actually paid zero for policing — zero per capita. And they were caught by the readjustment that occurred several years ago where they have to pay something because they have a detachment and formerly they might have paid nothing. And so I want to put that on the record and if I was in error about Vonda, then correct that.

But what I said generally is true, that communities over 500 would have been paying much, much more today than they would have if we had not made the change a number of years ago.

And I just say to the member, it is not a matter of trying to politicize anything. The fact of the matter is that this is like taxation or anything else. There will be people in Saskatoon that

say, well we're paying too much. There will be people in Vonda that will say, we're paying too much and somebody else should pay more. And no matter what system you have, that's going to be the case.

I also repeat to the member, that if there are people that are interested in changing to a more fair system, I repeat again that we will continue to discuss the matter with SUMA and SARM and we are totally open to ideas as to how you shift these costs around. But there has to be some respectful consultation with the rural municipalities, with the very small communities, and with the larger ones too, and to try to come up with a consensus.

And I certainly agree with the member that it is not a political football. It is not something to be kicked around like a political football. It is a very serious matter of how we should pay for policing. And I just say to the member that it's very, very difficult to get everybody to agree that I should pay this much because in reality, everybody wants to minimize their own costs.

But having said that, we're fully engaged all the time in trying to talk to SUMA and SARM about improving this system, as we've been doing.

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

**Hon. Mr. Belanger:** — To ask for leave to introduce a guest.

Leave granted.

## INTRODUCTION OF GUESTS

**Hon. Mr. Belanger:** — Thank you, Mr. Deputy Chair. Just a few moments to ask the Assembly to welcome my young cousin from Buffalo Narrows, Ricky Campbell. Ricky's here as a youth representative with the friendship centres and it's a long travel from Buffalo Narrows.

I'd like to ask the Assembly members to join me . . . And Ricky fancies himself as a hockey player because he's kind of related to me. And his father was a better hockey player than both of us combined and also works for SERM (Saskatchewan Environment and Resource Management) so I hope Ricky follows in his father's footsteps.

And ask the Assembly to join me in welcoming Ricky to the Assembly today.

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

## COMMITTEE OF FINANCE

### General Revenue Fund Justice Vote 3

#### Subvote (JU01)

**Ms. Julé:** — Thank you, Mr. Chair. Mr. Chair, I'd just like to comment on the minister's remarks.

Mr. Chair, there is no doubt, absolutely no doubt that every

segment, every sector of this population in Saskatchewan are paying taxes that are much too high. They have been paying dearly for the last 10 years.

And, Mr. Chair, we know very well that the education portion of property tax that the farmers throughout this province are paying is really doing them in. It's a burden that's very heavy to carry. And we recognize too that towns and both urban municipalities as well as rural municipalities have been subjected to having much fewer transfers from provincial coffers to those municipalities to use for the services they need. There's no doubt about that.

This is not intended, as I mentioned before, to be a dispute about who maybe should pay a little more and less because of course when people are all suffering under the burden of heavy taxation, they're going to be ending up of course, you know, fighting for their life.

What we need to do, what these people want an answer to, Mr. Minister, is simply they want the answer to who created the formula, how the formula was derived at, and . . . so they can make sure there is a fairness across the board, I guess. Now many of these people don't necessarily have the kind of information that you as a minister would have and so they ask the question through me. And I thank you for your answers, Mr. Minister. They are recorded and I will certainly take them to the affected parties. Thank you.

**Hon. Mr. Cline:** — Well I thank the member for her questions, Mr. Chair. And I just do want to take the opportunity to point out for the member's information that in fact the member refers to the high burden of taxation in Saskatchewan.

And I want the member to know that in the last four years income taxes in Saskatchewan have come down for most people by about 35 per cent. I want the member to know that we have the lowest sales tax of the nine provinces in Canada that have a sales tax and it's on a fewer . . . smaller range of goods. I want the member also to know, because she and her party do not tell the people this, that the small-business income tax rate, which was 10 per cent when our government assumed office in 1991, is now 6 per cent — which as the member can calculate is 40 per cent lower.

(15:30)

I want the member to know also that people in Saskatchewan pay the fourth lowest bundle of personal taxes in the country, Mr. Chair — the fourth lowest. And I want the member to know that at one time they paid the second highest because we've been doing a lot of work to come up with a more competitive tax system.

And it's fine for the member to get up and continually say, as she and her party will say, that somehow people do not have to pay taxes for health and education and roads and that we can have all of these things without taxation. But I want the member to know, that taxes are necessary in a civilized society so that we can have a health care system and education system and a road system.

And she and her party will go around trying to pretend, in their

effort to gain power, that somehow you can have a situation where nobody is going to pay any taxes. And you know, Mr. Chair, most people in Saskatchewan are a little bit smarter than that.

But my purpose, my purpose, is simply to say when that member gets up and talks about the high burden of taxation, I agree with her that we will all think that the taxes that we pay are too high. But I'm not going to let the public record and the people watching this on television not be informed about what this government has done to improve the taxation situation in Saskatchewan, which we largely inherited from the previous Devine administration which was supported by the members over there.

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

**Mr. Toth:** — Thank you, Mr. Chairman. Mr. Chairman, while we're discussing Justice, I think I just have to make a few comments before I get into a few questions regarding Justice, and talking about taxes in this province.

It's interesting to hear the minister, former minister of Finance, now the Minister of Justice give us a little lesson on taxes in the province of Saskatchewan. The Minister of Justice is telling us the fact that we now have one of the lowest sales taxes in this province but he fails to tell the people of Saskatchewan that when he was elected the tax was at seven, he increased it to nine, now he's lowered it to six, and he's taking a lot of credit.

Well it's always easy to take credit for something after you've increased the taxes and taken more out of people's pockets, and you can brag about the fact of the dollars that you have available, and be very selective in what you want to share with the people of Saskatchewan regarding the taxes in the province of Saskatchewan.

And yet, Mr. Speaker, what have we really seen as a result of these decreased taxes? This minister talks about personal income tax and, Mr. Chairman, I think you will find that even on this side of the House we have given the minister, the former minister of Finance, some bouquets for the reduction in the provincial sales tax.

However, Mr. Chairman, if I recall, in the 1999 election campaign the Saskatchewan Party, when . . . and the election campaign was calling for a reduction of 20 per cent of personal income tax. And at that time, the then minister of Finance said it couldn't be done, that there was no way we could achieve that type of a reduction.

And very interestingly enough, lo and behold, the results of the 1999 election when the NDP government was elected with a reduced plurality — in fact they had fewer votes than the opposition of the day — and well, they said at one moment that it . . . well they said at one moment that you couldn't reduce personal income tax; now they're taking all the credit for reducing the personal income tax.

And I think it's fair to say, Mr. Chairman, that we have . . . we certainly went to the people. We went to the people in 1999 with the idea of reducing the personal income tax.

The minister said it couldn't be done and he gave us all the reasons why he couldn't. And then when the people said, well we believe it can be done, then the minister was re-elected, and with a slim . . . in fact they didn't have a majority. They had to talk to the Liberal members and they had to coerce them into joining with them in order to guarantee that they'd be able to form a government of the province of Saskatchewan. And then all of a sudden they said, well the personal income taxes — yes, I think we can reduce those taxes.

Well, Mr. Chairman, for the people of Saskatchewan it was the right thing to do, even though the government didn't believe it was the right thing to do in 1999.

But, Mr. Chairman, when we're talking of politics, well this place is politics. We look at an election coming up, and there's a number of members sitting . . . a number of members sitting on that side of the House who weren't privy to be here in 1986 and 1991.

And I saw what their members — some of the members that sit on that side of the House today — I saw how they performed in this Assembly, and the way they would . . . could discredit a government of the day as they were looking forward to an election in the year of 1991.

Now it's easy to say, oh, you can't be political. Well this is . . . and the member from Saskatoon knows that this is a political arena. And, Mr. Speaker, or Mr. Chairman, this is a political arena.

And while the government is . . . while the opposition is asked to hold the government accountable on a number of issues, we can't help it if there are so many people these days, as they were in the late '80s, who are more than willing to hand over brown envelopes. We can't help it if there are people coming forward everyday with brown envelopes and just letting us know where the government is slipping up and failing the people and the taxpayers of the province of Saskatchewan.

So, Mr. Chairman, we're getting back to the debate on Justice. Well we'll get there but I think it was important that we at least brought a few facts forward as well in regards to some of the comments the minister has. And I would almost be surprised that the minister doesn't give me a little more food for fodder when we . . . after we give the minister a chance to respond.

So, Mr. Chairman, I think it's important that people get the facts on both sides. And the minister can take credit for his reduction of the personal tax. That was something that was important, that was needed to be done, but there's certainly a ways to go as yet. And yet at the same time when we talk about reducing personal income tax, the government and this minister, currently Justice minister, formerly the Finance minister, continues to brag about how he's brought down the debt.

And yet what have we seen over the last year or last year and a half? We've seen actually an overall increase in the debt in the province of Saskatchewan, and yet on one hand we're told that we've got a balanced budget. Well I have, for one, Mr. Chairman, wonder how in the world we can have a balanced budget when the debt continues to increase in the province of Saskatchewan.

In fact, Mr. Chairman, the debt today is higher, the net debt is higher today than it was in 1991 when this government came to office. And the member from Saskatoon knows that.

We can go through to the, just to the records that were just laid on the table about a month, month and a half ago. But, Mr. Chairman, for the minister to stand up and tell us, well we've got a balanced budget because we can take from the rainy day fund, well he admitted about a year and a half ago that the rainy day fund actually didn't have any actual resources in it to draw from anyway.

So let's . . . we can allow . . . we can continue on with this debate and I think we're more than willing to pursue to this debate if the minister is willing to get into the debate.

Mr. Speaker . . . or Chairman, however, coming back to the area of Justice, I would like to ask of the minister, how many people are currently incarcerated in provincial correctional facilities in the province of Saskatchewan?

**Hon. Mr. Cline:** — In answer to the member's question, I believe that approximately 800 people are probably sentenced to correctional centres as adults, probably about 300 people on remand — those are people who are incarcerated but they're not yet through the trial process — and approximately 300 youth. So in terms of how many people might be incarcerated today: approximately 1,400 people. So that's the answer to the question.

And while I'm on my feet, I share with the member his interest in all of the facts being presented to the Saskatchewan people and not just selected information. And so I must as a former Finance minister respond to some of the assertions that have been made by the member about taxation and otherwise.

The member says somehow that we came up with these tax cuts but in the 1999 election said we couldn't afford tax cuts. Well if the member would read, if the member would read the platform of the New Democratic Party in 1999, Mr. Chair, it says that we will decrease taxes for the average family in Saskatchewan by about \$1,000 per year, reduce the income taxes. And as everyone knows, Mr. Speaker . . . or, Mr. Chair, we did that.

The member says — this is how unreliable sometimes information from over there is — the member says we said there shouldn't be tax cuts in the election. One of our prime policies was to cut income taxes and we did that, Mr. Chair. So obviously he's wrong about that.

I also want to say that we did — we did — reject the tax plan offered by the Saskatchewan Party in the last election. Why, Mr. Chair? Because it was a tax plan for the rich. That's what it was. And we said, we're going to have a tax plan that will assist low-income people, middle-income people, as well as the rich. Everybody got a tax break, but not just the rich as the Saskatchewan Party always wants to do.

Every time they talk about tax cuts they don't talk about ordinary people; it's always big business and people who are very wealthy. They always want to cut their taxes, Mr. Chair, but not the ordinary people. And that's a point of difference between that party and the New Democratic Party and our

Liberal colleagues in our coalition government.

I also want to point out that . . . This is very interesting. First of all the members opposite, the member said that they have acknowledged many times the fact that we have cut the income taxes.

And you know I've sat in this legislature so many times, Mr. Chair, after the budget in 2000 and said . . . and listened to the opposition say that the tax cuts were not meaningful. They said that many times. They said, oh it's . . . the first year they said it's just a cup of coffee a day. They said it was a tax grab; that we were really increasing taxes. They said all kinds of things that weren't quite right.

And you know, Mr. Chair, it is good, it is gratifying to sit in the legislature today and hear even that Saskatchewan Party say that we have cut the income taxes. It is gratifying to see that they have finally acknowledged that, Mr. Chair, because they have not been acknowledging that before.

I also want to point out while I'm on my feet, the member from Moosomin talked about . . . and the member from Moosomin is really on shaky ground here. He's in a dangerous area. He's on thin ice and I'll tell you why, Mr. Chair.

He says that when we came to office the PST (provincial sales tax) was 7 per cent and now it's, you know, it's 6 per cent. At one time it went up to 9 per cent. But what he didn't say is the government of Grant Devine, which that member was a part of, did this — it harmonized the PST with the GST (goods and services tax). And the PST and GST were harmonized by Grant Devine and that was supposed to come into effect on January 1, 1992 — January 1, 1992. That was Devine's plan.

He had put the sales tax on restaurant meals, which we repealed as one of the first steps of our government; he had put it on children's clothing; he had put it on a variety of other items. But more significantly than that, he . . . the government that he was a part of harmonized the PST with the GST, and that's the important point because you had a 7 per cent tax, PST, but it was on everything. It was on everything that the GST is also on.

And I'll tell the member, if he doesn't know, what the effect of that is. And all he has to do is look at the public accounts of the three provinces in Atlantic Canada that harmonized their provincial and federal sales tax. The tax bill of somebody, the average family living in New Brunswick, Nova Scotia, and the other province that harmonized — I think there's three of them — the average tax bill is \$1,700 a year in sales tax. The average tax bill for a Saskatchewan family of four — 50,000 family income, two incomes, two children — is \$850. That's the average tax bill.

If you do what he did, Mr. Chair, when he was in office with Grant Devine — and he can't deny it because he was there with Grant Devine and voted for it — if you do what the member from Weyburn advocated in the *Weyburn Review* last spring, you will increase the sales tax on the average Saskatchewan family by \$850 a year just like that. That's what they want to do.

And what did we do, Mr. Chair? We got in, we said we're

cancelling that harmonization, we're cancelling that tax grab. That's the record. The member says he wants the record set straight. We'll set the record straight, Mr. Chair.

And it's been a long time but we should never let people forget that Brian Mulroney and Grant Devine passed legislation federally and provincially for the GST and, in this House, for the PST to be harmonized with the GST. That's what they did. That's the public record. And we're not going to have the member forgetting, when he says he wants all the facts to come out, what they did to the people of Saskatchewan when they were in office, Mr. Chair.

I want to now just say a word before I sit down. Then the member gets up and he says he wants to set the record straight about debt. Well I wish he would. I wish he would. Because I'll tell the member something. The province of Saskatchewan, since 1995, has received 10 consecutive credit rating upgrades — 10 consecutive credit rating upgrades. When we came to office we had a very low credit rating, one of the lowest in Canada. Now we have straight A credit ratings, Mr. Chair.

And I want the member to know if he doesn't know — and I think he does know — that what do credit rating reporting agencies look at? These are Moody's of New York, Standard and Poor's, Dominion Bond Rating Service. What do they look at? They look at the level of debt that a company or a government has. That's how they determine credit rating upgrades.

Now if what the member said was true, if it was true that our debt was out of control, why would it be that Moody's of New York and Standard and Poor's and Dominion Bond Rating Service would give the province of Saskatchewan a credit rating upgrade? Why would that be?

And the reality is, Mr. Chair, that the reason that we have straight A credit ratings is that our debt, our debt as a percentage of our economy, is half as big as what it used to be. Our debt-to-GDP (gross domestic product) ratio used to be about 70 per cent in the government and Crowns together. Today it's about 35 per cent. In other words, as compared to the size of our economy, we have half as much debt as we used to have and as that member and the former government left when they left office.

And I want to say, Mr. Chair, that, you know, you can do a lot, you can do a lot with figures. The member can manipulate figures and say this and that. And the member says I can too. And I can too. There's no question about it. Anyone in this House can.

But what you cannot do, and what the member cannot do, he cannot explain why it is — and they like to go out and say the debt's out of control — he cannot explain why it is that Moody's of New York does not think the debt's out of control, Standard and Poor's don't and the Dominion Bond Rating Service doesn't. He can't explain why this government and this province is back to straight A credit ratings.

That he can't explain because he can talk all he wants about me manipulating numbers. He can manipulate numbers. I hope he's not saying that the credit rating agencies manipulate numbers

because they don't, Mr. Chair. And the record speaks for itself.

And on that point also I want to say, as I've said in this House before, the member says the debt went up this year. Yes, the debt did go up this year. We didn't need the member to tell anybody. We had reported it ourselves because our public reports every three months — unlike a government he was part of that never even produced a budget in some years — itself, Mr. Chair, reveals to the people that the debt is going up.

And I have said many times, publicly and in this House and I'll say it again today, that the debt of Saskatchewan is going up this year because crop insurance claims are going to be about a billion dollars but the premiums are going to be about 500 million. Crop insurance claims have to be paid. Forest fires occurred. Those forest fires had to be put out. And livestock producers were given support.

And what you'll never hear that member say is that . . . You know, when he says he doesn't want any debt, is he going to get up and say that the crop insurance claims of the farmers should not have been paid? He's not going to say that. No. Is he going to say that the livestock producers, when they had no water and no feed, should not have been given assistance? No. He's not going to say that. Is he going to say that the forest fires shouldn't have been put out? No, he's not going to say that.

He's going to somehow pretend that we can live in a world with no taxes and no debt, and somehow you're going to pay the crop insurance claims and provide health care and education. And it's that kind of unrealistic thinking, Mr. Chair, that got us into a situation in the 1980s that we've taken about 10 years to fix, no thanks to anybody sitting over there because all they've been doing for the last 10 years is complaining. They've never done anything positive to contribute to an actual solution.

And the member will complain about taxes and the member will complain about debt, but on this side of the House, Mr. Chair, we'll stand on the public record of this government. Thank you.

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

**Hon. Mr. Hagel:** — Mr. Chair, I move the committee report progress — in fact, extremely significant progress — in Justice and move to estimates for the Department of Government Relations.

**General Revenue Fund  
Government Relations and Aboriginal Affairs  
Vote 30**

**Subvote (GR01)**

**The Chair:** — And I would recognize the minister to introduce his officials.

**Hon. Mr. Osika:** — Thank you very much, Mr. Chairman. And thank you for the opportunity to introduce officials that are here with Municipal Government . . . Government Relations.

First of all on my immediate left is Mr. Brent Cotter, the deputy minister. Wanda Lamberti, who is seated behind the deputy,

executive director of finance and management services. Larry Steeves, on my right, is the associate deputy minister of municipal relations. John Edwards, who is seated in the back, and John is our executive director, policy development.

Russ Krywulak, who is immediately behind myself, he's the executive director of grants administration and provincial-municipal relations. And Trent Good is a manager of community planning from Saskatoon. And Doug Morcom, who's the director of grants administration, seated here as well.

And I'm very happy to have the opportunity to introduce these hard-working folks who work on behalf of Government Relations and the people of Saskatchewan.

And I just wondered if I might, Mr. Chairman, having done that, just outline perhaps some of the responsibilities within the department that directly relate to the responsibilities of this segment of our municipal relations, Government Relations department.

And what we do here is develop . . . municipal relations develops the legislative and policy framework for the operation of the provincial system of municipal government. It provides advisory and other services to municipal organizations and administers financial assistance programs in support of municipalities.

As an example, the urban revenue sharing which provides unconditional operating assistance to each urban municipality.

We have the rural revenue sharing — and I'm sure that the member opposite, the member from Saltcoats, will be aware of this but I just want to make sure that those departments are identified — rural revenue sharing, which provides unconditional operating assistance to each rural municipality. As well, it also provides conditional assistance for heavy haul, high volume, and road construction, bridges, and traffic counting.

Northern Revenue Sharing, which provides unconditional operating assistance to each northern municipality.

Canada-Saskatchewan Infrastructure Program, which I believe may be of interest during the course of this afternoon and which provides assistance to urban, rural, and northern municipalities for construction of high-priority — high-priority — infrastructure projects such as water and sewer systems, transportation projects, and energy efficiency of municipal facilities. As well, transit assistance for the disabled where it provides operating and capital assistance to cities and towns that provide special needs transportation services.

Grants in lieu of property taxes provides grants in lieu of taxes on eligible properties owned and managed by the Saskatchewan Property Management Corporation.

And finally under the heading of Saskatchewan Assessment Management Agency, which is a statutory agency — provides funding. So our department provides funding for the province's statutory responsibility for the Saskatchewan property assessment system including core services, assessment research and policy development, a central database, provision of

assessment information to the province, and quality control.

And, Mr. Chairman, I want to say that I'm looking forward to the questions from the members opposite and hopefully we'll have a meaningful dialogue to ensure that people of the province are aware of the services that we provide and the efforts on their behalf.

**Mr. Bjornerud:** — Thank you, Mr. Chair. And thank you, Mr. Minister, for that update, and welcome to your officials here today. To start with, Mr. Minister, I thought maybe we'd go into some of the budget numbers and just get you to give an explanation of why the changes from last year.

The first one being, I believe, is administration is up \$375,000 if my numbers are right here. Could you maybe give us an explanation of what that additional money is being used for?

**Hon. Mr. Osika:** — Thank you, Mr. Chairman. Yes, there's \$375,000, I believe the increase that the member is referring to, Mr. Chairman. Just as an explanation, now there are some salary increases involved here: salaries for the additional minister's office; a First Nations gaming agreement position to improve accountability is included in that increase; impact of the government's new financial reporting system, the acronym for that being MIDAS (Multi-Informational Database Application System); the mandated salary increases which were \$20,000.

The others, starting at the top for the minister's office, 150,000; First Nations gaming, 50,000; impact of the government's new financial reporting system is 25,000; and mandated salary increases, 20,000. So that comes to 245. The operational increase includes increase in operating for the additional minister's office, which is \$50,000 and then the miscellaneous operating expenses, including \$15,000 for department training and development initiative.

And once again I expect that we have . . . With combining some of the responsibilities between offices as the departments were downsized, there now are three different departments that include three ministers that are responsible for a myriad of responsibilities that previously were under one global, or most of them were under one minister's responsibility. This is all split out now.

(16:00)

**Mr. Bjornerud:** — Thank you, Mr. Minister. And we well know that there's three ministers responsible and a myriad of ways on that side of the House, because quite often we'll ask a question and, come back later because I'm not the right minister. Not pointing the fingers, of course, at the present minister of Municipal Government because he never does that of course.

Mr. Minister, I'm not sure if you answered this maybe — and I maybe missed it — but is there additional staff hired this year over and above what the Municipal Government had last year?

**Hon. Mr. Osika:** — Mr. Chairman, to the member. There's for municipal, zero increases, but for the department as a whole — and maybe I can just point out that again going back to the

increases we talked about to the member — the department that . . . Municipal Government has a greater, the larger share of the three departments that were combined. So that's the reason for the increases in operating expenses and the 4.5, four-and-a-half FTEs (full-time equivalents) increase in staffing.

**Mr. Bjornerud:** — Thank you, Mr. Minister. Mr. Minister, the next line on the estimates is \$681,000 less for accommodation and central services. Can you tell . . . explain why that is such a large drop from last year?

**Hon. Mr. Osika:** — Mr. Chairman, to the hon. member, bear with me and I'll go through the explanation for that \$806,000 increase. In 2002-2003, the department was amalgamated and reorganized. And perhaps I shouldn't use that word amalgamated in our discussion here.

Okay, as part of this initiative a series of efficiencies were pursued, and that was the intent of reorganization. These efficiencies were in fact achieved during 2002-2003 and it was partly through self . . . staff reductions, pardon me, as well as through savings realized in our accommodation budget.

The majority of this adjustment thus reflects the actual distribution of expenditures and actual expenditure reductions that were achieved in 2002-2003. I'm sorry, this may sound a little complicated but it's . . . The 2003-2004 budget, which we're dealing with, has been realigned to reflect what was actually achieved during 2002-2003. So in effect a large majority of the increase is actually a reallocation from our accommodation budget to municipal relations, so that's where the shift took place as well.

And they were rather modest increases which included \$85,000 for mandated salary increases, \$65,000 for enhanced planning services — and that particularly to respond to needs expressed by local communities, particularly in northern Saskatchewan administration district to build a leadership among northern municipal officials. And the other \$40,000 was to enhance the municipal capacity in the North by funding developments and implementation of these learning modules. So it was to benefit people to better carry out their responsibilities in those particular areas.

**Mr. Bjornerud:** — Thank you, Mr. Minister. So if I'm understanding you right, Mr. Minister, under the line of accommodation and central services, some of the dollars that we're spending less under that heading this year are actually moving over to municipal relations, under that heading. One has gone down — if my numbers are right — 681,000 but the other one has gone up 806,000. Was that part of your explanation?

**Hon. Mr. Osika:** — Mr. Chairman, the hon. member is absolutely correct in that respect. But I just point out that what was required to meet the budget was by holding together the municipal services and moving to cheaper accommodation. So it was an offset in that respect.

**Mr. Bjornerud:** — Thank you, Mr. Minister. Mr. Minister, just a little bit different subject here. And you touched on amalgamation here and I want to go there for a minute.

I had — I knew you wanted to do that, Mr. Minister; actually

this is friendly territory right now but I have some questions on this — had the good fortune of being at a ratepayers' function out in the RM of Benson the other night. And you may know about this and you may not. It's just in the works right now.

But the town of Benson or village of Benson, I guess it is, is in the process of trying to amalgamate with the RM of Benson and it's just in the preliminary stages right now. In fact the night we were there that the mayor of Benson, who by the way happens to be the administrator for the RM of Estevan — so he knows full well how RMs work — but as mayor of the village of Benson did a presentation that night. And I thought he did a fantastic job. He wasn't pushing the village of Benson onto the RM but was trying to open doors to have it happen down the road.

And the RM of Benson sat and I thought listened very carefully but, as we all know when a number of these amalgamations take place or are going to take place — and I think it's inevitable, many of them are going to happen in the future because of our population drop — there are some problems that rise that seem to stop these amalgamations. I don't know in this situation if it's going to be a go or not. I would probably hope it would be because I think it would in this situation, and in many others, Mr. Minister, would be very beneficial to both.

I guess the question I'm asking, Mr. Minister, has any work been done . . . In this situation I think there was examples of where possibly, and I can't remember for sure if it was water or sewer or what the problems were that were going to be somewhat of an added cost to the RM of Benson if they amalgamated. And they were trying to come up with scenarios of how they could get away from that so that the ratepayers in the RM would be more receptive.

And naturally as a rural ratepayer myself, I would be very hesitant to jump into something if I thought as a taxpayer in the rural municipality, I was going to have to pick up a share of what it would cost for . . . such as the RM — or the village of Benson — and we have many instances all over the province, Mr. Minister.

I guess my question, Mr. Minister, has anything . . . any work been done on how as a government we could assist this? And I know we've had our differences over amalgamation. I think at one point we agreed on some of the things that forcing amalgamation wasn't going to work. I think we set the cause back probably 10 years by what happened.

But has any preliminary work been done to how we can assist villages, even may end up being towns and RMs at some point, if it was a dollar figure that was the stumbling block to this happening? Are we looking down the road at maybe how we can assist these amalgamations and make them happen, maybe possibly for the convenience of both, a little bit faster?

**Hon. Mr. Osika:** — Mr. Chairman, I want to very much thank the member from Saltcoats for that question and it is important to — I know it is — to a lot of people. And on that issue, there are occasions where communities such as we're discussing here can be used as models for others.

And in effect I understand what some of the difficulties may be

with liabilities and costs. And so we would be prepared through the RMs to supply, you know, some modest, some modest seed money — and seed money is a good term to use in a variety of areas — which would assist, by all means.

And in the case that the member's referring to, Assistant Deputy Minister Larry Steeves would be more than happy to visit with both the village and the RM to talk about how that transition might go smoothly. Absolutely we would try whatever possible.

I'm glad to hear you raise that because more and more there's more and more discussion about the . . . that kind of a voluntary exercise which I think would be beneficial in the long term. The financial benefits would accrue. It takes a little bit of time so you have to get over the transition period. So I very much appreciate that. We would do whatever we can to assist.

There may not be a lot of money available but I'd certainly be encouraged by folks that want to talk about moving into a situation where they would benefit financially and we would be happy to assist as I mentioned. Larry Steeves would be pleased to go out and meet with anybody who's considering moving in that direction.

**Mr. Bjornerud:** — Thank you, Mr. Minister. Mr. Minister, in this situation the RM of Benson and the village of Benson weren't asking for help, so don't get me wrong on this. They were doing the preliminary work.

But it just seemed to me that night that the presentation that was made by the mayor of Benson did a tremendous job that night. I think we could all learn from what he'd spoke about that night. And how he spoke I think was the . . . was probably the most impressive part of it. He wasn't pushing the village of Benson onto the RM. In fact he was very honest about it. He told them that it was not going to be all rosy. There was situations where it was definitely to the advantage of the village and not to the RM.

And I think by doing it the way he did it, you could almost see it was far more receptive or accepted by the ratepayers of the . . . or the RM. They were listening, where I think if he'd have come in and was a little rammy and said, well, you know, this should be done, maybe somewhat similar to what was tried to do here with the service district Act and things like that years ago, Mr. Minister. So I think we can all learn from Greg Hoffer and what he had done that night out there.

I'm wondering though, Mr. Minister, you've said that your department and your, like, your officials would certainly meet with people and try and help them. But there's nothing ironclad there right now. If they come it's on a case-by-case basis if I understand right.

And I'm wondering, Mr. Minister, if it's something we shouldn't be looking at in the future, that if municipalities of all kinds are starting to look at amalgamation — and I think we're going to see much, much more of this — if maybe it's time we had something ironclad, whether it was a per capita dollar value that could be assistance to them or . . . I think we both know that in many situations villages don't get serious about having to amalgamate until they get to the point where they cannot

afford to go on, on their own. And that may be a sewer system that's been 40 years in existence and is going to cost a lot of money to upgrade.

And I guess where I'm coming from is, possibly if we had something ironclad that when municipalities of all sizes that were thinking or talking about doing this, could say well this is available, we know that. We don't have to wait on a case-by-case basis. Maybe the amalgamation would happen before we let ourselves get into a situation where we've got a \$200,000 sewer upgrade. Water as we all know is becoming a big problem, and I know in some cases right now the RM themselves have wells out there where the ratepayers can use them.

Maybe things like this could be sped up where there could be the advantage of the villages or hamlets, whatever it is at that stage. But I just wonder what your response would be to that, Mr. Minister. Could we look at something like that where it was ironclad? There's a program sitting there should you want to look at it. I'm not saying the rules can't be, you know, changed at that point to assist because every situation's probably going to be somewhat different.

Right now I think they think out there they're on their own — there is no assistance — and for them to have to come and ask in some situations, I'm sure they will. But I think, Mr. Minister, if there was something there, I think we might assist these people before they get into the situation where they have to do something and we're at that point where it's a lot harder to help them.

Is anything like that being looked at, or would you look at that?

**Hon. Mr. Osika:** — I can't say enough, Mr. Chairman, how much I appreciate this opportunity to discuss this very future and forward looking idea that we're talking about.

There is a Web site, as a matter of fact, that can be accessed and I'm pretty certain that all the municipal offices, villages, and towns would have access. I know they would. And the purpose of that Web site is for sharing good ideas with others. And in the case that you're talking about perhaps and as I mentioned earlier, people that move in that direction in joint efforts can be used as a model for others.

And going back to our discussion about offering whatever assistance or guidance would certainly be available so then we could show people, hey look what's happened in this particular area . . . the sharing of equipment, the sharing of facilities. It's a marvellous idea and I think in the long term saves, will save people a lot of money.

(16:15)

And it's somewhat not unlike the direction that our view of perhaps supplying good water throughout the province and it's on a regional system where communities, rather than individual communities becoming involved and needing to upgrade the kind of infrastructure that the member has mentioned after a long period of time of deterioration, that communities in a regional area could get together and pool their resources and perhaps, by doing that as well, access some funding that may be

available and would benefit more than just one community that's in need of whatever infrastructure upgrading throughout the province.

So I feel good about what we're discussing because I can . . . And I've heard from people as well in the rural areas, that this is coming eventually. And what I've suggested is that we would do whatever we can to try and help in whatever way we can and we will all reap the benefits of that in the long term. So hopefully that's future thinking. I say that with all due respect.

**Mr. Bjornerud:** — Thank you, Mr. Minister. I think we're coming from the same end on this and I think we hope for the same resolve.

I know some of the comments I've had, some of the small villages are having a hard time being able to afford qualified administration, as an example. And I think we all know if we end up with unqualified people handling the finances, it only leads to a bigger problem down the road.

I have the example, and I think we've talked about it before, of Wroxton, the village of Wroxton in the RM of Calder. And the people out there right now I think are finding that, much to their surprise in some cases, that it's working exceptionally well. And I think the real plus to this is out in rural Saskatchewan, as you know, it's many of the same people. Farmers living in town but are ratepayers at both ends. So I think they're even surprised at how well it worked but I think, because they did it on their own, it's gone over much better.

So, Mr. Minister, I'll have more questions later. But at this point, Mr. Chair, I would like to move to the member for Arm River.

**Mr. Brkich:** — Mr. Chairman, Mr. Minister, I just have a couple of questions on two different topics, I guess.

I want to discuss a little bit of the Canada-Saskatchewan Infrastructure Program. I've got one town that was denied access for funding. For two years now they've applied. Their question they'd sent me today, I guess, is that they are asking why they were turned down twice.

But also in that letter that said they were turned down, it states that:

Less than 20% of the CSIP applications . . . (will) be approved this year.

The minister also states and I quote:

Safe drinking water for all residents of the province is, and will continue to be the highest priority.

Their question to me is — and they wanted me to pass it on to you — is how does the minister expect our drinking water safety to be insured with less than 20 per cent of the CSIP (Canada-Saskatchewan Infrastructure Program) funding applications being approved this year?

**Hon. Mr. Osika:** — Mr. Chairman, again I want to thank the member from Arm River for a question on a very important



issue and topic. I know that there is interest and concern both in how this program works and what criteria are used to determine the application, the approval of applications.

So if I may, in the 2003-2004 budget, 323 applications were received, 52 communities were approved for funding, 39 communities will receive a total of \$6.2 million in federal and provincial funding for water supply and waste water projects including three northern communities.

Now the total cost for these three projects is \$12.6 million. There are three solid waste projects. And I'm just explaining this for the member just to let you know what some of the high . . . what the management committee considered high-priority projects for this coming year, and remembering that there are two more years left in this particular program.

But there are three solid waste projects which would receive \$503,400 of federal and provincial funding including one northern project. Seven communities will receive 1.4 million federal and provincial funding to upgrade and repair streets and roads. Energy efficiency will receive \$43,330 of federal and provincial money. And one heritage project will receive \$100,000 federal-provincial.

So in addition to the above, there are projects pending approval that will be announced later on this spring. However, let me just point out that 75 per cent of federal and provincial funding in 2003-2004 is allocated to water supply and waste water projects. The unfortunate thing is that there just is not enough money in that program to respond to all the 323 applications positively — unfortunately. I say that sincerely because I know that people are wanting to do, to upgrade their water systems and so on.

But I do want to underline, there are still two years left, and I hope people will not get discouraged by being denied in the first year they applied, in the second year they applied. Apply, I would encourage them to apply again. That's the only response I can give you at this point in time.

And I have to say that, and perhaps the member's aware, that the people that review the applications involve SARM and SUMA and representatives from the federal and provincial governments because it is a unique partnership, really, for a funding project.

And they look very closely to determine which projects will go to the management review committee, okay — either recommended or denied. And the management review committee can overrule. They can overrule an approval or they can overrule a denial. But they work very hard to ensure that those that have the highest priorities, in their determination — and please understand that these folks have been looking at these applications, have been working with them since the program began — so they do their very best to identify those areas that are of an urgent, of an urgent need.

**Mr. Brkich:** — Thank you, Mr. Chairman. Mr. Minister, I'll pass this on to the village of Kenaston. And I know, I think they're going to reapply but they are getting a little disappointed. I think they were hoping that the funding will be increased in the following years and the next two years in the

program because there is a lot of infrastructure of different towns throughout my constituency I know of, made different applications.

Just wanted to ask one other question and this also came from the village of Kenaston but applies to my whole constituency. The funding for the control of West Nile Virus, I believe that falls under . . . will that be under municipal? Because if it will, I'll carry on with the question.

**Hon. Mr. Osika:** — Actually, Mr. Chairman, to the member, the funding would be determined by the Department of Health. And that's . . . so it would not be handled by ourselves.

**Mr. Brkich:** — But the control, the application where it set out . . . What I'll say is I think there was communities with population of less than 2,000 will be getting no funding at all for control of mosquitoes with the West Nile disease. Basically that takes my whole constituency. I don't have a town over 2,000 population and I . . .

My constituency's a fair chunk of real estate. It stretches from the edge of Regina up to the edge of Saskatoon, to the edge of Moose Jaw, between Lake Diefenbaker to Long Lake. That's a huge, huge area that there will be no control. So I have quite a few towns who are quite concerned that they would fall . . . that they would be getting no funding or no money at all under the mosquito control, under the West Nile virus.

**Hon. Mr. Osika:** — Mr. Chairman, here's a situation where in your case . . . And I appreciate what you're saying. Although I'll answer the question, but again it's administered by Health. But, and I know that the criteria says that communities of less than 2,000.

Here's a good example of what we spoke about just a little earlier with the hon. member from Saltcoats about communities getting together in those areas and making application, and a joint application to say that we in this area, identifying the communities, are getting together and saying that we need help with . . . (inaudible interjection) . . . Well, yes. That's okay. That would be my suggestion. And once again, to submit it for review, it doesn't hurt.

But there's a good example of saying, well there's only 1,500 here and there's, you know, 1,000 there, by golly we have enough between two communities, or between three or four. And that's the approach that may attract the attention of . . . and meet the criteria that's established and would qualify. Here's again a co-operative effort on a regional or area basis.

**Mr. Lorenz:** — Thank you, Deputy Chair. Mr. Minister, you had responded to the member from Saltcoats in the sense of amalgamation and some of the efforts that were happening with amalgamation in the parts of the area that he was speaking to.

There is that whole, I guess, exercise and involvement that the towns and villages through a Legislative Review Committee is going through now to revamp the urban Act, something similar that the cities were doing to create the city portion of the Act or the city Act as well.

There's been some comment coming back from your

department as such that there is a little bit of, I guess maybe hesitancy to see where the towns and villages are wanting to go with that, the particular changes that they're looking for in legislation within that urban Act. And they're also starting to look now to go into that whole regionalization concept as well which relates to this amalgamation issue and that type of thing as well.

If you can give us some thoughts, I guess, where yourself and your department's coming from in the sense of the direction that the towns and villages are taking to make some of those changes.

**Hon. Mr. Osika:** — Thank you, Mr. Chairman. Thanks to the member for the question. It's not something that will be imposed on any communities. And the hon. member will know, and I'm sure is aware, because I know in his part of the province there . . . that regional concept is already in existence.

And we're very interested. The department is very interested in that type of a concept, that the communities, the towns and villages and RMs, would come together to determine as to where they might . . . what direction they might go in for future administration.

It's not a bad idea. I think that concept has been not only in that part of the province but in others where it's recognized that, rather than continue to operate on an individual basis, perhaps we can look at benefiting a larger part of our area by getting together with other communities — and whether it's for trying to attract businesses, or whether it's trying to improve infrastructure, application for perhaps monies that may be available on a regional basis.

And again I keep going back to some of the benefits. Perhaps down the road when we're looking at small communities that can't afford to fix their infrastructure and need water, that we can work on a regional basis to have a hub and then supply the type of services that people may need in those small communities that don't have the monies for it.

So I'm not sure if I've answered your question. I'm enthused, as I mentioned earlier, about that concept, those ideas. And I've heard from community leaders throughout the province that feel it's a very positive thing to be doing in a co-operative manner. And that's a positive way of getting together and sharing resources, sharing finances, equipment, and so on. So I think that's a great idea.

We've not, and I want to make it clear that we have not, come up with any idea of imposing regionalization on anyone. And I'm a little hesitant to use that word amalgamation — it's restructuring, it's reorganization of communities — but as long it's done with the leaders of the communities.

Some of the changes we've made to legislation is to allow communities to have their own autonomy or the kind of autonomy to move in that direction. And if there's any help that our department can offer to help with that kind of an exercise, by all means — through our Web sites, through just phone calls and having people come out and sit down and meet with community leaders.

(16:30)

**Mr. Lorenz:** — Thank you, Mr. Minister. It's encouraging to hear that. I guess there's some real interest and I guess going down that road and taking that opportunity to allow those municipalities to take that direction. We know the Meotas and that whole area of Jackfish Lake, there's a huge interest in there of going into some kind of a regional concept and that type of thing as well.

So I think when the Town and Village Legislative Review Committee comes forward, that some enabling legislation can be put into place to allow them to structure themselves in a form that they can work together — that it isn't something that you need to dissolve municipalities to create larger municipalities or larger regions but there is legislation that is provided that gives them the opportunity to work together and work together in different ways. It's not that it needs to be in the total municipal capacity but it may be in the way that they provide a service or they share services in that respect as well. So I think that's very important that when they come with that direction, that that's accepted and that's worked with in the future as well and in that regards.

Just wanting to move on to revenue sharing and I think it's a bit of an issue that we've worked on for some time. And it's one that I think SUMA in particular had spent a lot of time with your department and yourself determining where they were going to go with revenue sharing and how they were really going to be able to obtain those dollars as well.

And when revenue sharing was first put into place, there was a mechanism of calculating the way those revenue dollars were put out. And that whole pool had gotten to someplace into the order of about \$67 million. And at that time . . . That was kind of in the mid-'90s where there were some good revenues coming in. As the revenues stopped coming in, we've seen that pool starting to shrink down. And at that time the municipalities were told once their revenues started coming back again, that we would see that revenue-sharing pool go back up again. We're sitting somewhere in the neighbourhood of \$36 million-plus in that pool — still about \$30 million short where that pool was originally at one time. So we're still making up ground from the time that we were partners in the fullest extent, I guess, with the municipalities.

What is the direction . . . I know there's some dollars being put back in this year again but there's a long ways to go here with revenue sharing. We've seen no changes in the SAMA (Saskatchewan Assessment Management Agency) contribution that's going in from the government. Grants in lieu of taxes, there's no change in those revenues going in to that pool of costs as well. So it's a bit of a downloading that's gone back down into the municipalities that they're needing to pick up some of those costs as well.

What is the direction of revenue sharing, and where are we going on the long-term basis in the sense of getting back to even the \$67 million that we were at, at one time, as well?

**Hon. Mr. Osika:** — Mr. Chairman, to the hon. member, just to clarify some of the figures with respect of revenue sharing and how it's going in the right direction. And there are some things

as far as revenue sharing that are sometimes overlooked and not taken into account as far as grants in lieu and some of the other, some of the other targeted programs, CSIP and so on, that do involve some provincial money as well as federal money and local money.

However, in 2001-2002 the . . . it was \$55 million; and 2002-2003, 65; and for 2003-2004, it'll be 75. This has been recognized, that municipalities need funding for infrastructure and for a variety of needs to provide services to their residents.

So the revenue in 2002-2003 was increased by \$10 million, and this is over and above some of the other programs as well. In 2003-2004, the budget provides another 10 million of new money in a revenue-sharing increase for municipalities. The further increase of \$10 million will be provided for in the 2004-2005 budget, so it's a total increase over the three years — new money of \$30 million or 54 per cent since 2001. So that's a significant amount of monies that have now been targeted for revenue sharing. And I don't think we can argue the fact that it is going in the right direction.

The 2003-2004, there's also been \$104 million to the municipal sector, to the municipal sector, through a number of programs. And that's the one . . . some of them I was referring to which includes revenue sharing, but also the municipal portion of grants in lieu of taxes — Canada-Saskatchewan Infrastructure as I mentioned, the Centenary Fund, and SAMA as well which we have supported. So once again this is represented. Again another increase of more than \$10 million over 2002-2003.

So as well, included with that budget, we'll provide \$172,000 increase to urban parks. So once again that's a total of \$3.74 million and \$6.78 million to school boards for grants in lieu of taxes. So that's something in the vicinity of \$115 million to communities.

And really where you consider in a budget where health/education increases are greater than the rest of government, and they're essentially zero in other parts of government, 15.4 per cent increase in revenue sharing alone to municipalities has been recognized as being pretty good. And again it's going in the right direction.

No other sector, not even health, received that significant amount of a percentage of increase out of the budget. So I, you know, I think we're . . . I don't think, I know we're going in the right direction. And I was quite pleased that we were able to offer up more monies from the budget for municipalities.

**Mr. Lorenz:** — Thank you, Mr. Minister. And I guess I can appreciate that there's been more dollars put into the overall process of funding municipalities. But the sense that some of the program money that's gone into funding the municipalities, through CSIP in particular, it's not all municipalities that are gaining that opportunity of gathering in those dollars. Those dollars are only program dollars that we heard that only hit about 20 per cent of the needy communities that are out there, that are actually even putting in their applications. So there's probably even a larger percentage of municipalities that aren't gaining the opportunity of those new dollars in that sense as well.

And I guess as far as grants in lieu of taxes, we've seen no increase this year at all in the funding and grants in lieu of taxes coming into this year's budget. So that's a definite . . . I guess a concern that the municipalities have, the way the assessments and the reassessments have gone, those values have gone up in that respect. So somebody within that municipality is picking up those extra costs because that portion hasn't been funded to pick up those extra costs and valuations through the reassessments that have gone on as well.

And we're also starting to see the pressure with the satellite communities. The satellite communities around the cities, the major cities — the Saskatoons and Reginas — are having their own concerns and their own problems because of just the nature of the way they do business. They're basically a residential community. They don't have a whole lot of commercial assessment property in there, so they don't have those dollars that come into those communities on a tax basis as well. And the pressure of providing services is as great or greater because of having to compete with the type of service that are needed for the . . . for those communities that are equal to the cities. There's a whole new area of pressure that's coming on for the need of providing that infrastructure and providing that service for those communities as well.

So we need to identify that if there are some dollars coming in, those dollars still . . . are not seeming to be able to keep up with the demand of what's out there for the services within these communities and the way that some of these communities are growing as well.

There's been some talk about wanting to have to change the formula of the revenue sharing as well. And that one is a very difficult one and the minister's kind of shaking his head. Because it's one that until there's enough money put into the pot for us to really start talking about addressing these concerns and these different needs that are out there, we have to realize that we have to bring that level of dollars in that pool of revenue-sharing need to the extent that we can actually start talking about changing that formula. Because there are some real problems out there. Those satellite communities and those growing communities, they're needing some infrastructure dollars. And it's just not coming in the way the system is designed right now.

**Hon. Mr. Osika:** — Well I just — in response to that — I just want to clarify and point out that sometimes we overlook the fact. And again, I believe we're going in the right direction.

In 1998 there was zero dollars for grants in lieu of; we're up to \$13 million. That's a significant increase. And that's part and parcel. Three years ago there was zero money for the kind of infrastructure help through Canada-Saskatchewan Infrastructure Program, and that was zero. Now we have 21 million . . . over \$21 million. So there is access to monies that weren't there before. And that's on the plus side.

As far as the formula you mentioned, yes, we desperately need to work with SARM and SUMA, okay, to make sure that . . . And the hon. member will know, as being a mayor of a community as well, that you cannot . . . it's difficult sometimes to come to an agreement or a consensus on the direction you should go, and I understand that.

But it's important as well, and I recognize that if there is adequate enough monies, that we need to look at . . . we need to sit down and be serious, and there may need to be some give-and-take when we sit down to determine how that formula should work. And I agree, before we get the next \$10 million next year, we should sit down — we should seriously, and be serious about it.

And perhaps not everybody at the end of the day is going to be happy, and unfortunately in the past that's what's happened. We haven't been able to get different associations to agree on a direction to take that might . . . Because it's human nature — well if we use this one, you know, it's going to benefit them and we're going to lose out or that sort of thing.

But I do believe . . . I have a great deal of respect for the association leaders, for community leaders, and a great deal of confidence in them that we will be able to sit down and, given the direction that we all want to go, that we will come up with a formula that will offset some of the angst or the concerns that some communities have because they feel they're short changed, and make it fairer for everybody.

And there has to be an answer out there someplace, and I'm looking forward to ideas and suggestions and associations working with our department to make sure we do come up with the formula that's adequate and fair and equitable to everybody.

**Mr. Weekes:** — Thank you, Mr. Chair. I'd like to ask the minister a couple of questions. Given in recent days that the water problem that happened in Walkerton, Ontario took place and now there's charges being laid against a couple of the city employees concerning that whole issue, I would just like to ask the minister: we're fortunate in North Battleford that no one died from that water problem; a lot of people were ill.

I'm just wondering if the minister could shed any light on the future application of North Battleford to get their water and their sewer systems looked after through the Saskatchewan-Canada Infrastructure Program.

**Hon. Mr. Osika:** — I want to thank the member from Redberry Lake for that question and point out at the outset, before I respond with respect to the North Battleford issue, there have been other communities faced with the need for upgrading treatment plants, water wells, sewage facilities, and so on over the years. And those communities that have recognized a need to do so have gone ahead and done it, even prior to programs such as the Canada-Saskatchewan Infrastructure Program.

(16:45)

And I'm sure the member from Redberry Lake knows that and appreciates that. And I'm sure there are people in those communities that . . . community leaders once again that I have a great deal of respect for who take their responsibilities seriously and attend to the needs of their citizens.

With North Battleford, \$1.7 million in federal and provincial CSIP funding will be provided to the city of North Battleford to support their water and sewer needs. Now North Battleford has in fact been supported in a significant way by the province in their efforts to upgrade their sewer and water system.

The city does have access to \$1.2 million over the five years of the program — 254,000, just over . . . well almost \$255,000 has been allocated, already allocated, to construct two new water supply wells; \$949,000 has been approved to support the design of a new sewage plant. Now that funding will be used over the next two years.

The city has been aware, the city has been aware that it will receive this funding. They've been aware of that for some time, that they will receive some funding and that will be part of some of the upcoming Canada-Saskatchewan Infrastructure Program announcements about projects approved for the next several years. So North Battleford has already been aware that this funding was coming, would be available.

In addition, in 2001-2002 North Battleford was provided — has been provided — with half a million dollars, \$500,000 from the strategic initiatives portion of that Canada-Saskatchewan Infrastructure Program to install an ultraviolet system for its water treatment plant.

Including this strategic funding, North Battleford will get about \$121 per capita from this program, from the CSIP program, for its water and sewer infrastructure. This is about 40 per cent more than any other city will receive on a per capita basis.

So it is . . . there has been support for the community of North Battleford. And I know that the leaders of those communities will do whatever is necessary to ensure safe drinking water for their citizens.

**Mr. Weekes:** — Thank you, Mr. Chair. To the minister, in North Battleford situation we're just very lucky that we didn't have people die in that situation. The reality of it is that the water intake is downstream from the sewer outlet. It's a bizarre situation.

And I think the people in North Battleford expect more than just the standard answer and . . . that they do not basically fit within the requirements of the infrastructure program. They need to have the situation looked after right away because of the different circumstances. And because communities all over Saskatchewan don't have the money to invest, you know, they're looking to the other levels of government to help.

And I think North Battleford is a situation that the government should look at a little differently because of the . . . number one, the health reasons concerning the issue — the potential loss of life and wellness of the individuals — but also the huge economic loss that took place during the period where they were on a boil-water advisory. And I think the people of North Battleford need more . . . a better answer than what you have been giving.

**Hon. Mr. Osika:** — Mr. Chairman, in response to the hon. member from Redberry Lake, his comment about having built the plant downstream or upstream, whichever . . . I guess it doesn't matter where you build it, you're either upstream or downstream from the next community anyway. Some community is upstream or downstream.

So in that case, yes, there . . . We recognize that there's a need, that there's a need for the city of North Battleford to do

something immediately, preferably. And we have worked with them. We have Sask Water that's become involved with and offered an opportunity to immediately proceed with . . . And I'm not disagreeing with the hon. member that there is some urgency.

Now the . . . Over the years, I mean the . . . I guess municipalities have the responsibility to ensure that their citizens have safe drinking water. And part and parcel of the monies that are received through taxation . . . and I know that our frugal leaders of the communities or councils do in fact put money away for a rainy day for those unexpected events that they may need to have immediate cash for.

And under the circumstances, we have talked to the city of North Battleford about the possibility of their financial situation allowing them to go through the municipal financing board or, in fact, utilize reserves that perhaps over the years were not expended to certain infrastructure or certain needs.

And I'm not saying that's wrong, that you put money away for a rainy day. But by golly, you know, when you can perhaps see the rainy day coming and unfortunately when the floodgates break, then you start thinking, gosh, I should have, you know, put a little tighter gate on that.

So I guess what I'm saying, we want to work with them. And I feel this is an urgent situation. I'm not denying that. But so are other communities in an urgent situation and so have other communities been in similar situations — not to the extent that it got to the point that we saw in North Battleford, happily. But those communities, even prior to an infrastructure program or any federal-provincial monies being available, went ahead and said, our priority's here; our responsibility as leaders in this community is to ensure the safety of our residents; and went ahead and however they did it — through municipal financing, through reserves, through long-term amortization on loans, borrowing money, mortgage, whatever — they went ahead and they did it. And then the primary reason be to ensure that their citizens could enjoy good quality, safe drinking water.

So I guess . . . And we've been trying to work with North Battleford to ensure that we . . . This needs to be desperately attended to and I appreciate the member from Redberry Lake recognizing the urgency that does exist. But I also would appreciate very much . . . And I'm sure a lot of people recognize the responsibilities that community leaders have to their citizens when they are in charge of the community, whether . . . when they're the elected officials of a community — to work in the best interest of the people that elected them and the people that they serve and to whatever means is necessary.

And I'm not trying to lessen the seriousness of the matter. I'm just saying that we have to take into consideration a whole host of communities that need the kind of help that North Battleford's looking for, but may be in a healthier position, financially or otherwise, to either gain some financing or proceed on their own to make sure that they get this thing fixed.

**Mr. Weekes:** — Thank you. One last question, Mr. Chair. I accept what you're saying. North Battleford may have, to a certain extent, more of a larger tax base where they can handle a

larger construction project. My next question really speaks to the smaller communities like Perdue and Vonda and Maryfield, who have water and sewer problems as well, and they don't have the tax base.

You know, both sides — the government and the official opposition — we talk about rural revitalization. In those smaller communities, if we don't as a province and as a government, if you do not look after those smaller communities through the infrastructure program or other means, these communities are going to die. There's no way that they're going to be saved. And I think the government needs to address their needs maybe in a little different fashion than the federal-provincial infrastructure program is willing to assist them. That may be through the federal-provincial infrastructure program — maybe it should be revamped and more likely just more money put in to the plan to cover these smaller communities.

But I think the Perdues of Saskatchewan and the Vondas are in a different category than North Battleford, and I think something should have been done with North Battleford quite some time ago. But also the smaller communities are on a different level of commitment that they can make because of their tax base.

**Hon. Mr. Osika:** — I appreciate that question very much, and I agree. But there's only so much money in the pool and the people that represent the review committee are two from SARM, two federal, two provincial, and two SUMA representatives to determine where the priorities lie.

In the case of Vonda and Perdue, as the member has mentioned, perhaps that in these kind of situations working with other communities to make applications, to work with, to share some of the potential for accessing grants money may be a way to go.

But we're doing the best we can. And I agree. I believe that the federal government as well has recognized that perhaps hopefully over the years the infrastructure funding will continue to support the kind of needs that we have in this province and beyond. Thank you.

The committee reported progress.

The Assembly adjourned at 17:00.

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