

The Assembly met at 13:30.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Mr. Krawetz:** — Thank you very much, Mr. Speaker. Mr. Speaker, I have a petition to present on behalf of Saskatchewan residents concerned about the effect of the high tax on property. The prayer reads as follows:

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 as in duty bound, your petitioners will ever pray.

Mr. Speaker, the signatures on this petition come from the communities of Wadena, Rose Valley, Lintlaw, and the fine community of Buchanan.

I so present.

**Ms. Draude:** — Thank you, Mr. Speaker. I also rise today to present a petition on behalf of people who are really concerned about the high cost of the education tax:

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.

Everyone that has signed this petition is from Wadena.

**Mr. Gantfoer:** — Thank you, Mr. Speaker. I rise again this afternoon on behalf of citizens of Moose Jaw who are concerned about the lack of dialysis services in their community. The prayer reads as follows:

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

Signatures this afternoon on the petition are all from the community of Moose Jaw.

And I'm proud to present on their behalf.

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

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

I so present.

**Mr. Stewart:** — Thank you, Mr. Speaker. I rise to present a

petition signed by citizens concerned with the deplorable and unacceptable lack of a hemodialysis unit in the city of Moose Jaw. And the prayer reads:

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

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

I so present.

**Mr. Dearborn:** — Thank you, Mr. Speaker. I rise today to present a petition from people in my constituency worried about the Kindersley Hospital and asking for its expansion. 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 ensure continuation of the current level of services available at the Kindersley Hospital and to ensure the current specialty services are sustained to better serve the people of west central Saskatchewan.

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

This petition, Mr. Speaker, is signed by the good folks from Coleville and Kindersley.

I so present.

**Mr. Brkich:** — Mr. Speaker, I have a petition opposed to Saskatchewan Crop Insurance 2003 premium increases to farmers:

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.

Signed by good citizens from Davidson and Chamberlain.

I so present.

**Mr. Hart:** — Thank you, Mr. Speaker. Mr. Speaker, I have a petition today on behalf of constituents concerned with a portion 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 Earl Grey.

I so present.

**Mr. Allchurch:** — Thank you, Mr. Speaker. Mr. Speaker, I rise in the Assembly to bring forth a petition signed by citizens of Saskatchewan concerned with the government's handling of the Saskatchewan Crop Insurance. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take 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 on this petition, Mr. Speaker, are all from the good centre of Spiritwood.

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 nos. 12, 18, 27, 36, 40, and 90.

### NOTICES OF MOTIONS AND QUESTIONS

**Mr. Brkich:** — Mr. Speaker, I give notice I shall on day no. 35 move the first reading of The Water Quality Recognition Day Act.

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

To the Minister of Agriculture: how many Saskatchewan producers have made application to the livestock drought loan program announced on July 29, 2002; how many of these applications have been approved; and how many have not been approved; are any applications left to be processed; and if so, how many?

**Mr. Hillson:** — Thank you, Mr. Speaker. I give notice that I shall on day no. 35 ask the government the following question:

(1) How many subscribers did SaskTel's *Max* have on April 30, 2003; (2) how many subscribers was SaskTel *Max* supposed to have had on April 30, 2003 according to its business plan projections?

I so present.

**Mr. Allchurch:** — Thank you, Mr. Speaker. Mr. Speaker, I give I notice that I shall on day no. 35 ask the government the following question:

To the Environment minister: how many acres of Crown land in the province is deemed critical habitat wildlife land; and further to that, has any critical habitat wildlife land been sold to resolve TLE claims; if yes, what are the land parcels and which band or reserve has claimed them; if no,

is the government looking at selling such land to resolve TLE claims?

Thank you.

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, I give notice that I shall on day no. 35 ask the government the following question:

To the Minister of the Environment: in this 2003-2004 fiscal year, of the fire towers that were condemned in the fiscal years 2000-2001, 2001-2002, 2002-2003, what is the number that will be rebuilt; and which organizations and/or private companies and/or government entities will build these fire towers in the province of Saskatchewan in the fiscal year 2003-2004?

Thank you, Mr. Speaker.

**Mr. Hermanson:** — Thank you, Mr. Speaker. I give notice that I shall on day no. 35 ask the government the following question:

To the CIC minister: what taxes in lieu of grants did the Crown Investments Corporation pay to the RMs of Rudy and Canaan and the town of Lucky Lake; further to that, what was the assessment on the tax notices and did the Crown Investments Corporation pay; if not, why did they not go through the appeal process?

And a second question, Mr. Speaker, that I also give notice I shall on day no. 35 ask the government:

Also to the CIC minister is: what taxes in lieu of grants did Sask Valley Potato Corporation pay to the RMs of Rudy and Canaan and the town of Lucky Lake in the year 2002; further to that, what was the assessment on the tax notices and did the Sask Valley Potato Corporation pay; if not, why did they not go through the appeal process?

Thank you, Mr. Speaker.

### INTRODUCTION OF GUESTS

**Mr. Hillson:** — Thank you, Mr. Speaker. Behind the bar this afternoon we have a member, a sitting member of the Estevan City Council and former member of parliament for Souris-Moose Mountain.

And I'd ask all members to join me in welcoming a long-standing servant of this province and a friend of this House, Bernie Collins of Estevan.

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

**Mr. Trew:** — Thank you, Mr. Speaker. It's my pleasure today to introduce to you and through you to all members of the Assembly, a very good friend of mine seated in the west gallery, Gunnar Passmore — Gunnar with the Sheet Metal Workers Association.

But I want to share that I've known Gunnar and his wife, Dee, for some more years than either of us want to remember,

Gunnar. But it's indeed a pleasure. From time to time Gunnar comes and blesses us with his presence and I'm glad that you have chosen to do so again today.

I ask all members to join me in welcoming Gunnar Passmore.

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

**Mr. Hermanson:** — Well thank you, Mr. Speaker. I would like to join with the member from the Battlefords in welcoming a former colleague of mine, Mr. Bernie Collins, to our Assembly today, sitting behind the bar.

Mr. Collins has served the province of Saskatchewan as the mayor of Estevan and also as a city councillor in that fine community. And he and I had the opportunity to sit together in parliament — not always on the same side on issues, but often on the same side on issues. Mr. Collins also served on the Agriculture Committee and I had the pleasure of working with him in that regard as well.

And I think that the members of this Assembly should not only join in welcoming him, but also thank him for his service to the province of Saskatchewan.

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

#### STATEMENTS BY MEMBERS

##### Saskatchewan Volunteer Medal Ceremony

**Mr. Addley:** — Mr. Speaker, in a ceremony held in this Chamber this morning, Lieutenant Governor Lynda Haverstock presented the Saskatchewan Volunteer Medal to seven citizens in recognition of their outstanding volunteer service or exceptional community involvement.

Mr. Speaker, this year's recipients of the Saskatchewan Volunteer Medal are: Mr. Norman Beach of Swift Current, who recently volunteered thousands of hours with the Southwest Crisis Services donation program; Mr. Dave Cameron of Lumsden, who among other volunteer activities was one of the original organizers of the Lumsden Duck Derby; Mr. Kelly Chase of Porcupine Plain, who in 1998 was honoured for his charity work by the National Hockey League and presented with the King Clancy Award.

Ms. Louise Fisher of Tisdale founded and coordinated the Tisdale Authors Event. Mrs. Jackie Groat, Mr. Speaker, who I am proud to say is from my home riding of Saskatoon Sutherland and who has established many programs and activities for the continued independence of disadvantaged people. Ms. Renu Kapoor of Regina, who has helped Regina fund raise for numerous local and international charities. And Ms. Marie Léa Mathers-Ross who's well known for her volunteer efforts with the Boy Scouts of Canada.

Mr. Speaker, I ask all members of this Assembly to join me in congratulating these seven Saskatchewan citizens and thanking them for their selfless efforts and hours of service. Thank you, Mr. Speaker.

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

##### Maple Creek Celebrates 100 Years

**Mr. Elhard:** — Well thank you, Mr. Speaker. Yesterday the community of Maple Creek hosted a noon hour event to celebrate the 100th anniversary of the incorporation of the town. And although I was unable to attend the birthday party in person, I wanted to share this news with my colleagues in the legislature today and to extend our joint congratulations to the town of Maple Creek on this auspicious occasion.

The history and spirit of this southwest community runs deep, as indicated by its slogan, Where Past Is Present. While incorporation happened 100 years ago, it was some 20 years earlier that a hardy Canadian Pacific railway crew spent its first winter camping on the banks of Battle Creek amongst some overhanging maple trees, thus giving the community its name. And even prior to that, Fort Walsh, situated 30 miles from the present town site, was home to the first permanent police force in Western Canada. The presence of the detachment encouraged settlers to ranch in that region with original operations still being run, often by third and fourth generations of cowboys.

Much of the region's history has been preserved in two museums and its spirit is displayed proudly throughout the year at many local events. Two of the most popular are the ranch rodeo and the annual Cowboy Poetry Gathering and Western Art Show.

The community of Maple Creek offers a wide variety of services and amenities, and supports an assortment of thriving businesses within the agricultural, tourism, and oil and gas industries.

Homecoming week, Mr. Speaker, is scheduled for August 1 through to 3 and that'll offer an opportunity for old and new friends to gather in celebration.

So I ask that you please join with me in offering congratulations to the town of Maple Creek — a community with great roots, lots of activity, and an enthusiastic outlook for the future.

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

##### International Working Persons' Day

**Ms. Jones:** — Thank you, Mr. Speaker. Today is the first of May. The warmth outside, the green on the trees, and sufficient, for the moment, soil moisture in most of the province are all good reasons for us to feel good and optimistic as we spring into spring.

This is a red-letter day for another reason, Mr. Speaker, and I use the word advisedly. May Day is a special day for working people around the world — the International Working Persons' Day, a day that many believe is a European holiday co-opted by the former soviet empire. But that perception is wrong.

(13:45)

The celebration of May Day began right here in North America. It recognizes a 19th century workers' struggle that led eventually to the establishment of the eight-hour working day, the benchmark in the ongoing improvement of workers' rights;

an achievement that I would have thought that is securely entrenched in contract, in law, and in practice. Unfortunately that's not entirely true.

Tommy Douglas said, "Ground gained must be maintained."

On this May Day we can note with some worry that in the country that gave us the eight-hour workday, there are now efforts by the current Republican administration to undermine this time-honoured practice. There are two Bills before Congress that would, if passed, repeal the 40-hour work week and end overtime protection. And as everyone knows, what happens south of the border can influence us.

So, Mr. Speaker, on a day of celebration, let us take a moment to renew our never-ending efforts for equal rights, fair play, fair pay, and social justice. Thank you, Mr. Speaker.

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

#### National Aboriginal Diabetes Awareness Day

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, I'd like to inform the Assembly that tomorrow is National Aboriginal Diabetes Awareness Day.

In 1999, then national chief of the Assembly of First Nations, Phil Fontaine, proclaimed the first Friday in May as a day to raise awareness of diabetes prevention among Aboriginal people.

Diabetes is a major cause of kidney and heart disease, blindness, strokes, premature death, and other significant health problems. The incidence of Type 2 diabetes among people of Aboriginal descent is reaching epidemic proportions in a number of communities in Saskatchewan. Studies have shown that 8 per cent of Aboriginal people between 19 and 39 years of age have diabetes, while a shocking 50 per cent of Aboriginal people over the age of 60 have the disease.

Although there is yet no cure for diabetes, Mr. Speaker, diabetes doesn't have to be fatal. It can be controlled with regular exercise, a healthy diet, and abstinence from alcohol.

I would ask all members of this Assembly to join me in wishing success to all of the individuals and organizations who are working diligently to fight the diabetes epidemic among Aboriginal people. Thank you, Mr. Speaker.

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

#### National Aboriginal Curling Championships

**Mr. Goulet:** — Mr. Speaker, the National Aboriginal Curling Championships were held at the Hub City in Saskatoon over the Easter weekend, and I am pleased to say that Saskatchewan rinks distinguished themselves, winning three of the four Canadian titles.

Mr. Speaker, the Nadine Obey rink of Cowessess defeated the Tanny Yole foursome from Ile-a-la-Crosse to win the junior women's title.

The Loren Stewart rink, including Emile Bouvier, Jonathon Favel, and Shane McKay defeated the Brennan Merasty team from Ile-a-la-Crosse to take home the junior men's title.

In the women's championship game, Renee Sonnenberg of Beaumont, Alberta was victorious over Loon Lake's Makwa Sahgaiehean.

And the men's championship went to Rod Wuttunee; the Rod Wuttunee rink, including Chad Sayese, Tavio Morin, and Sam Wuttunee. They defeated Marv Aubichon of Regina to claim the title.

Mr. Speaker, I would like to thank Martin Aubichon, Maynard Whitehead, and the many sponsors of the National Aboriginal Curling Championships, including the provincial government and Crowns, as well as the staff of the Hub City, all of whom helped to make this event the huge success that it was.

I ask this Assembly to join me in congratulating all the participants of this event, in particular those who played their way to the National Aboriginal Curling Championships.

Thank you.

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

#### Biggar Teen Joins Saskatchewan Express

**Mr. Weekes:** — For one Biggar teen, the summer of 2003 is going to be busy, performing on the road with the province's top-notch musical act, Saskatchewan Express.

Kristen Sehn was selected to perform with the popular troupe for the upcoming summer season. For Sehn, learning of her selection was exciting. It was especially thrilling learning that she would be singing and dancing with the high-profile Saskatchewan musical ensemble — an icon of the province that has been entertaining across North America for over 20 years.

"You can audition for dancing or singing and can do basically one. They told me that I could do both of them," she proudly beams. Sehn, who auditioned in Regina about a month ago, will be performing every weekend starting this June.

The commitment required by the professional level musical company will have the grade 10 Biggar Central School 2000 student missing some classes. She'll start travelling to Regina for rehearsals every weekend this month as Saskatchewan Express polishes its act for a June start in the summer tour season.

Sehn says people she knows who have been in the Saskatchewan Express have told her to expect the experience of a lifetime. For Sehn, who has been on the stage for most of her young life, there is another more important reason — the simple joy of entertaining, putting a smile on someone's face, getting their toes a-tapping. "It's nice because I've always been into dancing or singing, it was never both — now it's both."

Please join me in congratulating this very talented young lady.

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

### thINK Food Program

**Mr. Trew:** — Mr. Speaker, the high-tech revolution is great. Ink cartridges are a problem though when they come out the other end of that. The resulting environmental hazards require our attention. Literally thousands of ink cartridges and out of date cellphones have wound up in our landfills, Mr. Speaker. This is not only environmentally hazardous, it's also wasteful.

These hazards have been turned into opportunities to create new sources of funds for food banks and that is thanks largely to a partnership that Petro-Canada and the Canadian Food Banks Association have put together. And it's a program called thINK — I'm not sure how to say it because it's a small, lower case t-h and then higher case or capital I-N-K Food — so thINK Food has been put together by that partnership.

I'm very pleased to report that in Regina this program has got support from SaskTel, SaskPower, SaskEnergy, Saskatchewan Property Management Corp, and, very importantly, the Regina Girl Guides. To date the program has generated the equivalent of 110,000 pounds of food and diverted more than 65,000 cartridges from landfills.

I congratulate all involved in this win-win program.

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

### ORAL QUESTIONS

#### Workers' Compensation Board

**Mr. McMorris:** — Thank you, Mr. Speaker. My question is for the minister responsible for the Workers' Compensation Board.

Mr. Speaker, last year the Provincial Auditor raised serious concerns about the NDP's (New Democratic Party) mismanagement of the WCB (Workers' Compensation Board). The result of that mismanagement was that the WCB lost \$56 million in 2001, Mr. Speaker. And when we asked the minister about this massive loss in the legislature last June, she said steps were being taken and things would change for the WCB in 2003. Well, Mr. Speaker, yesterday the NDP released the 2002 annual report for WCB and guess what? Things did change because in 2002 the WCB managed to lose a whopping \$93.5 million.

Mr. Speaker, what actions is this minister taking to stop the tidal wave of red ink for the WCB?

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

**Hon. Ms. Higgins:** — Thank you very much, Mr. Speaker. I'm very pleased to stand to answer this question.

As the members opposite and the Saskatchewan Party may not be aware, there's a number of issues that affect the WCB which were released in the annual report yesterday. Part of that was a weakness in the markets and a lower-than-anticipated investment earnings. Mr. Speaker, and all I have to say is, check your pension statements. It's happening all around us and to WCBs across the country.

Also part of the \$93 million shortfall was an actuarial adjustment that was made because of Bill 72 last year. And, Mr. Speaker, I would like to remind the members opposite that they all voted for this Bill last year. There is no dissenting votes on the record. They agreed that there was a time to increase benefits for working people in Saskatchewan.

And, Mr. Speaker, the big concern out of the report yesterday was the increase in injury claims that the board has received.

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

**Mr. McMorris:** — Mr. Speaker, the WCB lost a whopping \$93.5 million in 2002. And according to the WCB's annual report, \$36.7 million came as a direct result of legislation to the WCB.

Mr. Speaker, those changes were introduced in this legislature by the NDP government last spring. And the WCB should have been fully aware of the changes and the impact that those changes would have on their financial statement this past year.

How can the minister and her NDP government possibly blame their own legislation for a whopping \$36.7 million loss that the WCB should have known about had that government informed them?

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

**Hon. Ms. Higgins:** — Well thank you, Mr. Speaker. And if the member of the Saskatchewan Party opposite, who's the Labour critic, had have taken the time to attend the annual meetings held last fall, this shortfall was announced — the \$36.7 million that was booked for Bill 72 which those members voted in favour of. Mr. Speaker, if he had attended a meeting and read any of the reports that were released from those meetings, he would have known that there was a shortfall that was projected by the board.

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

**Mr. McMorris:** — Mr. Speaker, a couple of years ago the NDP performed an exhaustive cross-country search for a chairman for the board, to find the best person to serve as chairman of the WCB. Who did they find, Mr. Speaker? Well they found the former NDP MLA (Member of the Legislative Assembly) and MP (Member of Parliament), John Solomon.

So, Mr. Speaker, the big question is, how is this old NDP hack doing with the WCB over the last two years? Well let's review.

In 2001, Mr. Speaker, the WCB lost \$87 million — the first year that Mr. Solomon was in charge. This past year in 2002, the WCB has lost \$93.5 million, Mr. Speaker — the second year that Mr. John Solomon was chairman. Mr. Speaker, that's \$180 million of losses in the past two years that Mr. Solomon has been chairman of the board.

When is the NDP going to do the right thing and fire their hand-picked chairperson?

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

**Hon. Ms. Higgins:** — Mr. Speaker, the WCB retains highly qualified management companies to invest on their behalf and to manage the investment portfolio.

The opposition members are taking a very simplistic view. And I would ask the member opposite, when he's calling for the resignation of the chairperson, is he also calling for the resignation of the chairpeople and civil servants across this province who manage investment portfolios and insurance portfolios on behalf of all of us, Mr. Speaker?

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

**Mr. McMorris:** — I can't believe she'd stand in her place and justify an NDP patronage appointment for losing \$180 million and saying, it's perfectly fine; he's the right guy for the job, Mr. Speaker.

It doesn't matter that the NDP cabinet operates under the motto, ignorance is bliss, Mr. Speaker. And it doesn't matter that the Labour minister of the WCB has lost \$180 million in the past two years. After all, she doesn't have to pay for those losses, Mr. Speaker.

People across this province that own businesses, large business and small business, are going to have to pick up the bill for the incompetence of that government's leadership.

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

**Mr. McMorris:** — How much will the WCB rates be going up in the next year? How does the NDP plan on paying for this ninety-three million, point five million dollar loss this past year?

**Hon. Ms. Higgins:** — Mr. Speaker, it's tough to explain in the short period of time that we have. This is a shortfall, and a portion of it is because of an actuarial adjustment that needs to be made to accommodate the benefits that will extend into the future for injured workers.

And I say to the members opposite, the best way to reduce costs and reduce premiums is to reduce the injuries that are happening in workplaces.

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

**Mr. McMorris:** — Mr. Speaker, the WCB may be pouring out red ink and the NDP may be driving the WCB rates through the roof, but that didn't stop the WCB from increasing its own wages from between 4.5 and 6 per cent last year, it says right in the WCB's 2002 annual report. And it didn't stop the WCB from increasing the cost of its employee benefit by a whopping 52 per cent, Mr. Speaker.

(14:00)

Mr. Speaker, the WCB has lost \$180 million in just two years. Its liabilities have increased \$178 million while its investment portfolio has shrunk by more than \$23 million.

Why is the minister allowing the WCB to increase its own salary by as much as 6 per cent, and increase the employee

benefits by more than 50 per cent, while the WCB is losing hundreds of million dollars and WCB rates are going through the roof for small business and large business in this province?

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

**Hon. Ms. Higgins:** — Well, Mr. Speaker, here again is a prime example of how the Saskatchewan Party just picks and chooses which they wish to talk about. They don't have the ability to look at the big picture.

Mr. Speaker, there was some tough news in the annual report. But, Mr. Speaker, you have to look at a 3 per cent decrease in administration costs that's been achieved by the board, and also a major decrease in operating expenditures over 2002.

The investment portfolio that the Saskatchewan Workers' Compensation Board has, has outperformed both of our WCB investment portfolios on either side of us — in the provinces on either side — consistently over the last number of years. This is a well-managed board; it operates quite well. And I say again to the members, if your concern is the cost and rates that are charged the businesses, the best way to reduce that is to reduce the injury rate that happens in the workplaces in this province.

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

**Mr. McMorris:** — Mr. Speaker. Mr. Speaker, it's quite a lineup we have on those NDP benches over there. You've got the minister responsible for bingo that's lost \$8 million on a bad bingo game. We've got the minister responsible for potatoes who's lost \$28 million on a bad batch of potatoes. We've got the SaskTel minister who's lost \$70 million on a boatload of foreign investments that's gone bad. We've got a land titles minister who's blown \$107 million on a land titles system that doesn't work. We've got a Labour minister whose patronage appointment has cost the WCB \$180 million.

But none of those ministers hold a candle to the Premier, who's racked up a whopping \$1.1 billion of new debt in less than three years. Mr. Speaker, will the Premier do the right thing today and call an election?

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

**Hon. Mr. Calvert:** — Mr. Speaker, the member opposite there ought not tempt me. He ought not tempt me, Mr. Speaker.

Mr. Speaker . . .

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

**Hon. Mr. Calvert:** — Mr. Speaker, this member should not tempt me today.

The record, Mr. Speaker, of governments, are clear to the people of Saskatchewan. When that group of men and women occupied these government benches, they ran this province in debt on average \$1 billion for every year they were in government. They ran this province into a deficit, debt situation that made us the basket case of economies in Canada, Mr. Speaker.

This government, in the last 10 years, we have taken the debt to GDP (gross domestic product) ratio in this province from the worst in Canada now to the second best in Canada. That's what we've done, Mr. Speaker.

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

**Hon. Mr. Calvert:** — Now the member opposite standing there from Indian Head today had a fair number of questions about the Workers' Compensation Board and the policy surrounding the Workers' Compensation Board. Because his leader now says we're all going to be very accountable over there and answer questions, I want him to answer this question in this House.

Mr. Speaker, yesterday the member of Indian Head said to the press that the trouble at the Workers' Compensation Board was, quote, "labour-friendly laws." That's the problem, he said — labour-friendly laws. Mr. Speaker, will that member stand in the House today and tell us which of these labour-friendly laws he is proposing to get rid of if they form government?

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

#### Rate Review Process

**Mr. Wall:** — Thank you. Thank you, Mr. Speaker. Mr. Speaker, today is the first meeting of the Saskatchewan rate review panel to consider SaskEnergy's request for a 33 per cent gas rate hike.

The problem is, the problem is that the government, the NDP government has pretty much declared that the review process is meaningless by already approving the increase. Mr. Speaker, this seriously undermines the independence of the rate review panel. And it's not just the Sask Party saying that. The former Chair of this panel, Bob Lacoursiere, said, and I quote:

By having cabinet make the decision ahead of time like they have just done . . . It makes it really tough for the committee to proceed in an independent manner.

The question to the minister responsible is simple: why has the NDP government undermined their own rate review process?

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

**Hon. Mr. Calvert:** — Mr. Speaker, I want to reassure the member and reassure the people of Saskatchewan that this government takes the rate review process very seriously. It was this government that put this process in place. It was that group of men and women when they were in government that took a rate review process, put it in place, and the first time the rate review process said no to them, they killed the rate review process.

Mr. Speaker, this is the party, this is the government, this is the government that respects the rate review process. And we will of course respect the decisions made by the rate review process.

But now, Mr. Speaker, since we have engaged ourselves in this discussion about the future of the Crowns, since we have engaged ourselves, it is now time for the Saskatchewan Party and

its leader to start speaking definitively to their policies concerning the Crown corporations of Saskatchewan. I want to hear — this government, the people of Saskatchewan want to hear — precisely what are the policies of the Saskatchewan Party regarding the Crown corporations.

So I ask the Leader of the Opposition, I ask the Leader of the Saskatchewan Party this question. In the last election campaign which we fought against them, he committed that any privatization of asset from the Crown corporations in this province would be preceded by a referendum of the people — the people will be asked. Mr. Speaker, does the Saskatchewan Party support that position today?

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

**Mr. Wall:** — Mr. Speaker, this particular Premier is all too anxious to become the leader of the opposition. It's going to happen in due time, Mr. Speaker. It'll happen in due time. He's got all of these questions.

And by the way. Mr. Speaker, the answers are there. The answers have been provided in clarity. The answers are there and all that needs to happen now is for that Premier to screw up the courage and call the election and let the people decide, Mr. Speaker.

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

**Mr. Wall:** — That's all that has to happen, all the bravado aside.

The question was simple. In fact, Mr. Speaker, right now the very first hearing is happening of the rate review panel process.

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

**Mr. Wall:** — Thank you, Mr. Speaker. We understand that the very first hearing of the rate review panel process is happening now, right now in Saskatoon, and under a dozen people have shown up for it. That meeting is occurring right now. Now the reason they are not showing up for it, of course, is because the rate hike, the reviewing has already been approved by the government.

So again, to the Premier — if he's answering the questions now — what is he intending to do to restore people's faith in his own rate review process?

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

**Hon. Mr. Calvert:** — Thank you, Mr. Speaker. In my view the people of Saskatchewan have a great deal of respect and support for the rate review process, as does this government, Mr. Speaker. There is no doubt about that. And the process will unfold and this government will take very, very seriously the recommendations of the rate review panel.

I'll tell you what the public doesn't support and doesn't trust, is the notion that somehow that group of men and women would ever be in charge of their public utility. That's what they don't support.

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

**Hon. Mr. Calvert:** — And I want to make a little prediction here today, Mr. Speaker, I want to make a little prediction today. The member from Swift Current will be the leader of the opposition far before I ever am.

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

**Mr. Wall:** — Thank you, Mr. Speaker. Well instead of all the bravado and all the rhetoric from the Premier, if what he wants is this vigorous debate like he apparently wants to have today, all he has to do is muster the courage, get in his car, drive over to the Lieutenant Governor's residence, and ask for the election writ and drop the writ. Drop it, we say.

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

**Mr. Wall:** — Mr. Speaker, that's what we're inviting the Premier to do. We'll gladly go out on the campaign trail and talk about \$85 million in out-of-province losses by the NDP government. We'll go on the campaign trail and talk about SPUDCO (Saskatchewan Potato Utility Development Company), the loss of \$28 million and a cover-up for six years. We'll talk about the land titles debacle, \$107 million loss, Mr. Speaker. We'll talk about the longest waiting lists in Saskatchewan. All he's got to do is call the election. We'll talk about all of those things.

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

**Mr. Wall:** — Mr. Speaker, today we learn that while the rate review panel is hearing about a \$7.25 price per gigajoule this government's proposing, the Alberta rate . . . the Alberta customers are going to be looking at a new rate decrease that will bring their rate down to \$4.80.

Now I'm sure lots of people in the province will want to talk a little bit about that, and maybe they'd go to the rate review panel hearings except, Mr. Speaker, that the decision by the government has been made.

So to the Premier once again: will he tell the Assembly what is he going to do to restore people's faith in his own rate review process?

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

**Hon. Mr. Calvert:** — Mr. Speaker, for the third time in this question period, let me say again, we respect the rate review process and we'll take extremely seriously any recommendations that are brought to us by the rate review process. That has been the pattern; that will be the pattern — unlike the pattern they used with the rate review process when a rate review process told them they couldn't do what they wanted to do.

Now let's have some further discussion, therefore, about the issue that is of concern to some Saskatchewan people. Yesterday I happened to meet 40 . . . 35 new immigrants to our province. And interestingly, they wanted to know what is the position of this opposition Saskatchewan Party in Saskatchewan. They asked me — they asked me — what is the

position? Is this group of men and women prepared to sell off our public utilities? I tell them the answer is, yes. Because while I am in Saskatoon and the Leader of the Opposition's asking questions to an empty chair — while I'm in Saskatoon at the immigration ceremonies, he's asking questions to an empty chair — I understand that the critic of the Crown corporations over here is not willing to commit that they will not privatize the Crowns in Saskatchewan, our public utilities, Mr. Speaker.

It is time for the Leader of the Opposition, as he says he will, to come forward, come forward in the House. Will they have a referendum should they form government? Will he have a referendum before any sale of any Crown public utility?

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

### Closure of North Battleford Residential Facility

**Mr. Hillson:** — Thank you, Mr. Speaker. On April 3, I asked the Minister of Public Safety what was going to happen to the men in the North Battleford halfway house who were in the sex offender treatment program when the halfway house was closed. The minister said, and I quote:

We are going to make sure that every single person affected . . . are dealt with appropriately.

Well, Mr. Speaker, now we find that arrangements were not made for the men. The men on conditional sentence were kicked out of the house and told to go home. They were also told that they were to continue to come to their sex offender treatment program three times a week. One of the men lives nearly 500 kilometres from North Battleford. That's a round trip of nearly 1,000 kilometres. He has no money. He's been given no help. He knows no one in North Battleford. So far he's living in his car.

Mr. Speaker, the chances of these men on conditional sentence fulfilling the sexual treatment offender program is almost nil. While I realize that a slavish adherence . . .

**The Speaker:** — Would the member . . . Order. I would just remind the member that he should get to the question.

**Mr. Hillson:** — While I realize the slavish adherence to the truth is not a priority with this government, why did the minister say arrangements were going to be made for the men when in fact they were not being made?

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

**Hon. Mr. Thomson:** — Mr. Speaker, I made a commitment that we would deal with each of these cases individually. I am not aware of the case the member raises. I will look into it.

But let me say this. The first thing that we know when that member asks a question, and the thing that his constituents tell us to do, is check the facts. Because when he asked the question in this House, he said that they were going to lose their program. That was not true, Mr. Speaker. They did not lose their programming. He said that there was not space to deal with them in Battlefords. Also not true, Mr. Speaker. There were additional beds at the Battlefords correctional centre.

I will endeavour to check the facts. I will take a look at this specific case if the member wishes to provide me with more details, and I will return with an answer on that issue.

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

(14:15)

**Mr. Hillson:** — Mr. Speaker, Mr. Speaker, the minister promised the men would complete their treatment. Now we find out it's not just this man; there are others who have been turned out on the streets. They're bunking in with friends and relatives. They're living on the street. They don't come from North Battleford. If these men do not complete their treatment, that poses a risk to the community.

The men can't be charged with breaching their conditional sentence if they don't attend because it was the government that kicked them out of the house the judge ordered them to stay in.

My question for the minister: why did he not keep his promise that all of the men in the house would be looked after to ensure they completed their treatment?

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

**Hon. Mr. Thomson:** — Thank you very much, Mr. Speaker. I think it's unfortunate when we have to explain to a member of the bar how conditional sentences work. He should be aware that the conditional sentences are that they must complete their program. He understands that.

We have said that in each case we would go back to the courts; we would deal with an appropriate case plan for these offenders.

What that member needs to understand is that if the conditions are in place that they need to complete the treatment, they need to complete the treatment. If the conditional sentence was that they need to be kept in custody, they would be kept in custody.

This is something dealt with by the courts, not dealt with by the elected officials, and for a lawyer, he should know better.

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

### Ethanol Industry

**Mr. Hillson:** — You'll need dental records to identify your candidate after the next election if you don't keep your promise about help for North Battleford.

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

**Mr. Hillson:** — Mr. Speaker, Mr. Speaker, we learned over SPUDCO that the word partnership is an old NDP mining term meaning that they waste the gold and the taxpayers get the shaft.

Now we're told that the partnership with Broe to build ethanol plants in rural Saskatchewan is evaporating. CIC (Crown Investments Corporation of Saskatchewan) is on the hunt for 20 million for an ethanol plant in Belle Plaine promised with great

fanfare and children from the school in October — construction to start in May 2003.

Well it is May 2003. Despite the CIC's promises of construction, nothing is happening.

Is the government going to go on the hook for the entire equity investment? My question for the CIC minister: will he categorically agree ... guarantee this Assembly that the taxpayers of Saskatchewan will not be 100 per cent on the hook and on the hook for more than the 20 million already committed?

**Hon. Mr. Calvert:** — The answer, Mr. Speaker, the answer to the member from Battlefords' question is yes. The answer is yes. We will assure that member, and we will assure this House, and we will assure the people of Saskatchewan that the arrangements we have struck to work with the Broe group of companies are the arrangements that will exist. There will be no 100 per cent equity or anything like that from the Government of Saskatchewan.

But, Mr. Speaker, I had to get on my feet because I was in the member's hometown just last night. I was in the member's hometown just last night and a fellow by the name of Mr. Len Taylor won the nomination for the New Democratic Party. And, Mr. Speaker, I tell you the member of the Battlefords had better brush up on his legal books because he's going back to work in the law.

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

### MINISTERIAL STATEMENTS

#### Additions to Saskatchewan Health's Drug Plan

**Hon. Mr. Nilson:** — Mr. Speaker, I'm pleased to rise today to advise the Legislative Assembly of two significant additions to Saskatchewan Health's drug plan. This government wants to ensure that our residents do not suffer financial hardship in order to receive the health care they need, Mr. Speaker. We want to support them so they can manage their care properly and avoid serious complications. That is why, Mr. Speaker, I'm announcing today that we are expanding coverage of diabetic supplies under the Saskatchewan drug plan.

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

**Hon. Mr. Nilson:** — The drug plan already covers the cost of insulin, Type 2 diabetic drugs, and blood glucose test strips. About 15,000 people currently benefit from this coverage.

Beginning July 1, 2003, people with diabetes will be eligible for increased coverage of diabetic supplies under the drug plan for such necessary items as needles, syringes, lancets, and swabs. Mr. Speaker, we are dedicating approximately \$3.3 million to cover the cost of these items during this fiscal year, increasing to \$4.8 million in 2004-05.

Mr. Speaker, the second announcement is that the drug plan will be expanded further to include specialized nutritional products. On September 1, 2003, coverage will be available for specialized nutritional supplements for people who need these

products to manage complex medical conditions. We estimate that 120 people rely on these products as their primary source of nutrition and will be eligible for coverage.

While these specialized products are not required by many people, for those who need them they are a necessity which is very expensive to purchase. Coverage of specialized nutritional products will cost approximately \$200,000 annually. These additions to the Saskatchewan drug plan are part of our government's commitment to the Action Plan for Saskatchewan Health Care announced in December 2001. We are proud to say that we are meeting the goals and commitments of this action plan and will continue to implement initiatives. This government has invested 155 million in the drug plan for the 2003 fiscal year, an increase of \$34 million from last year.

Providing additional drug plan coverage is also a commitment from the first ministers' health accord of February 2003 to improve access to primary health services, home care, and catastrophic drug coverage. And in the coming months, our government will be announcing details of our plan to allocate 8.5 million in the areas of primary health care and home care as well.

Mr. Speaker, I'm pleased that we are able to respond to issues raised by our partners in the health sector, among them the Canadian Diabetes Association. We appreciate their support of this initiative. We share their views about the tremendous benefits of early detection, prevention, and effective disease management for the treatment and prevention of diabetes.

I'm also pleased, Mr. Speaker, that we are able to meet the specialized needs of other families in this province as they care for people with complex medical conditions that require the use of nutritional supplements.

Today's announcement, Mr. Speaker, is a positive step towards an improved quality of life for people with diabetes in our province. And, Mr. Speaker, this funding supports our provincial diabetes strategy which has an important emphasis on diabetes education, care, and treatment.

This government is very proud of its commitment to health care in this province. Thank you, Mr. Speaker.

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

**Mr. Gantefoer:** — Thank you, Mr. Speaker, with leave to reply to the ministerial statement.

Leave granted.

**Mr. Gantefoer:** — Thank you, Mr. Speaker. Mr. Speaker, it's a pleasure for me to rise today to reply to the initiatives announced by the Minister of Health.

Mr. Speaker, all of us in elected office, since we've become MLAs, I'm sure, have been approached by people who are suffering from diabetes and had their concerns expressed to us about the cost of diabetic supplies.

And over the years it's been possible to include some of the diabetic supplies, and I am pleased to hear that the minister is

announcing today that virtually all of the diabetic supplies that are required for Type 2 diabetes are going to be covered under the drug plan. And I'm sure that this is very good news to the 15,000 or so people of the province who are afflicted by this condition.

Mr. Speaker, diabetes is a disease that with our sedentary lifestyle is increasing in its severity and its spread across the population. As people age, it certainly is something that is an onset that we experience in many instances. And so it's going to be good news indeed to see to it that the people affected by diabetes are going to be supplied with the necessary supplies that they need.

But, Mr. Speaker, it's also important to say that diabetes is also something that can be managed in many, many instances by proper adherence to activities, to exercise, and to proper nutrition.

And it is important for us to continue to stress to people of the province the necessity of a healthy lifestyle that will help them prevent the onset of Type 2 diabetes. And we can never forget when we provide these necessary supplies to people who are affected, that we encourage our citizens to take positive, make positive changes to their lifestyle so that this condition doesn't affect them.

Mr. Speaker, it's also positive to hear that the people — and although they are very few in number — are very severely affected by the necessity to have very specialized nutritional supplements and indeed sometimes very complete nutritional medications or diets that are prescribed for them in order to maintain their lifestyle.

And while there's only 100 or 120 individuals in the province affected, I know I have been approached by these people to solicit on their behalf the great, severe hardship and costs that these nutritional supplies are creating for these individuals. And so it's good news that the government as well is including these things under the drug prescription plan.

So, Mr. Speaker, these are good initiatives today, to the government. And I think every member of this House on both sides realize that they have had people that have requested these initiatives, and it's good to hear that the government and the drug plan and the Department of Health have listened to these requests. And so we are supportive of the announcement made by the minister today.

Thank you, Mr. Speaker.

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

## INTRODUCTION OF BILLS

### Bill No. 201 — The Oil and Gas Industry Recognition Week Act

**Mr. Stewart:** — Mr. Speaker, I move first reading of Bill No. 201, The Oil and Gas Industry Recognition Week Act.

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

**Bill No. 20 — The Legislative Assembly  
and Executive Council Amendment Act, 2003**

**Hon. Mr. Hagel:** — Mr. Speaker, I move that Bill No. 20, The Legislative Assembly and Executive Council Amendment Act, 2003 be now introduced and read the first time.

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

**Bill No. 21 — The Superannuation  
(Supplementary Provisions) Amendment Act, 2003**

**Hon. Mr. Melenchuk:** — Mr. Speaker, I move that Bill No. 21, The Superannuation (Supplementary Provisions) Amendment Act, 2003 be now introduced and read the first time.

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

**Bill No. 22 — The Pharmacy Amendment Act, 2003**

**Hon. Mr. Nilson:** — Mr. Speaker, I move that Bill No. 22, The Pharmacy Amendment Act, 2003 be now introduced and read the first time.

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

**ORDERS OF THE DAY**

**WRITTEN QUESTIONS**

**Mr. Yates:** — Thank you, Mr. Speaker. I'm extremely pleased today to stand on behalf of the government and respond on their behalf to written question no. 153.

**The Speaker:** — 153 has been submitted.

(14:30)

**GOVERNMENT ORDERS**

**ADJOURNED DEBATES**

**SECOND READINGS**

**Bill No. 15**

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Cline that **Bill No. 15 — The Saskatchewan Insurance Amendment Act, 2003** be now read a second time.

**Mr. Heppner:** — Thank you, Mr. Speaker. I consider it a privilege to spend some time speaking on Bill No. 15. And as we deal with this one . . . and as The Insurance Act, we're going to be going at length into the detail, the background, and exactly where this government is going with this whole situation. So this is an important piece of legislation, Mr. Speaker, and we'll probably spend a fair bit of time discussing it.

One of the things that's in this Bill, Mr. Speaker, is that insurers

need to have a deposit on hand with the provincial government in case of financial insolvency, if that's needed. Now that has been deleted in other provinces and so that's part of the background to this particular Bill.

It's ironic, Mr. Speaker — it's very ironic — that this particular concept that I just discussed coming out of Bill No. 15 would come from this particular government. Because part of this, as I said, is brought about by the events that have taken a part out . . . have taken place outside of the province. And so, Mr. Speaker, this government's reacting to that.

I think what we need them to do is to react to what they're doing out of the province. We need to look at that, and that, Mr. Speaker, will explain why I use the term the irony in it. We have, Mr. Speaker, as you well know, some 10 or more out-of-province investments by SaskTel. And we're just laying the background to how come this government would be bringing forth this piece of legislation at this particular time and how come that's so ironic.

And on those 10 pieces, Mr. Speaker, those 10 investments, the philosophy that the NDP had was: we're going to invest money abroad, outside of Saskatchewan; we'll invest it in other provinces; we'll invest it in other parts of the continent; we'll invest it on every continent in the world. They'd invest it in the universe if they possibly could, Mr. Speaker. Fortunately, they can't do that as yet. But they've invested it all over the world.

The purpose was . . . And the purpose sounds good, Mr. Speaker. We'll give them a point for purpose. It's when the plan comes into effect that they'll get a zero. The purpose was that this was supposed to make money, so that all of those who have SaskTel in our homes, we'd be able to have lower rates.

It has backfired, Mr. Speaker. These NDP have messed up those investments totally; those 10 investments, those 10 pieces I talked about. The total loss to date, Mr. Speaker, on those alone is over \$40 million and growing.

As a plan, Mr. Speaker, that was supposed to go ahead and help all of us in Saskatchewan have lower rates, has totally backfired. It has backfired in every single one of those ten — every single one. It's not that one just lost a whole lot and the rest all made some money. Every single one of those has lost.

And maybe, Mr. Speaker, for the record we need to look at this. Because if we don't take this carefully and look at the record of this particular NDP government, then we look at The Saskatchewan Insurance Act, we may actually think that they're going to accomplish something in this Act. But we need to know what their record is.

We've got Craig Wireless. They stuck in \$10 million; they lost \$10 million. Now, Mr. Speaker, that creates a very interesting question. If you invested 10 million and you lost 10 million, what's it worth now? Nothing, absolutely nothing. So here we have the people of Saskatchewan hoping that this investment was going to come back and benefit us on our telephone rates, and they've lost every single cent they've put into it. The value of that company is now zero — zero. I'm using their particular report, Mr. Speaker. They use the term nil, which I believe is very close to zero, very close to zero.

Now on top of that, Mr. Speaker, here's where it gets really frightening. This particular company is now worth zero, but it still exists and losing money. So what's the NDP doing? Pouring more of our money into it. This is SaskTel now, Mr. Speaker, this is SaskTel; this is SaskTel. Where are they going to get that money from? It's going to come from your rates, Mr. Speaker, and my rates. Every single person that has a telephone in this province is going to have to pay more to keep Craig Wireless going, not to provide a service in Saskatchewan, Mr. Speaker, but to provide services elsewhere.

So someone else is getting some service that we're paying for because our telephone rates are higher than they would be if the NDP had, as the member from Swift Current said so eloquently on many occasions, stuck to their knitting. If they'd kept to their knitting, done what they did well — provide telephones to each one of us, to our neighbours, to our families in Saskatchewan — things would be fine. But now they're not. That's just one. Remember, we're paying for that.

We're going to go down all ten of these, Mr. Speaker, and we're going to indicate that our rates in Saskatchewan are as high as they are in order to give other people throughout the world service. We're not the United Nations, Mr. Speaker. It's not SaskTel's job to try and give good telephone service around the world. It isn't. Not in Australia, not in the United States, nowhere but here in Saskatchewan. That's particular . . . their idea.

The NDP like to tell stories about Tommy Douglas flying over Saskatchewan and seeing SaskTel and SaskPower getting its tentacles into every home. Well, Mr. Speaker, I'm sure right now he's spinning in his grave. He's done this for years when he sees how this NDP government raises the rates to the people of Saskatchewan.

They raise the rates to the people of Saskatchewan to provide service elsewhere. If it at least was to the poor and the impoverished, but it isn't, Mr. Speaker. It's to the Americans and to the Australians, all of those kinds of people who could well afford to go ahead and pay for their own rates and their own services.

That's the kind of NDP we have who would take money out of the hands and the pockets of the people of this province and spend it elsewhere.

That was one, Mr. Speaker — Craig Wireless — tapped into.com, tapped into.com. They invested this time, thankfully, only half what they put into Craig Wireless. They invested 5.4 million, but they've lost 2.4 million, Mr. Speaker. They've lost 2.4 million. The value has gone down by that amount.

We'll keep going through these, Mr. Speaker, because I have a lot to say on this one particular issue about expecting this government to do anything reasonable when we're talking about The Saskatchewan Insurance Act, when we look at what their record is in handling money around this country.

Retx investment, 21.7 million.

Oh, and here in the NDP books, Mr. Speaker, in the NDP

books, they have a little double asterisk, a little double asterisk. And I'll read what that says from their books. It says it is impossible to determine the current value of these investments and losses incurred by SaskTel because they are accounted for by using the consolidated method. And they go into a lot of accounting verbiage in an effort to hide the fact that they don't want to tell the people of Saskatchewan what the value is.

You ask any business person in this province what the value of his business is and he'll be able to tell you. None of them are going to say, well I don't have a clue what it's worth; I've got an accountant, he could probably tell you. You go to a farmer and you say what's your land worth, and he'll tell you within probably \$1,000 per quarter what it's worth.

But you ask the NDP what's their business worth? We don't know, we don't know. The last thing the people in the world should do is ever trust a socialist to handle their financial affairs — the last thing they should ever do, Mr. Speaker.

Here's a prime example. They take \$21.7 million but they have no idea what it's worth, none whatsoever, Mr. Speaker, none whatsoever.

**The Speaker:** — Order, please. Why is the member from Moose Jaw North on his feet?

**Hon. Mr. Hagel:** — To raise a point of order, Mr. Speaker.

**The Speaker:** — Would the member of Moose Jaw North state his point of order.

**Hon. Mr. Hagel:** — Mr. Speaker, I ask you to make a ruling regarding member's relevance to the debate. I have before me Bill No. 15, An Act to amend The Saskatchewan Insurance Act, and I have to admit I, like the masses in Saskatchewan, I haven't been paying 100 per cent rapt attention to the remarks that the member for Rosthern . . . But as I've been listening these last few minutes, I have been trying and I have been looking through the Bill — it's a fairly lengthy Bill; there's a number of subjects here — and I have been trying to find somewhere in this Bill one of the clauses that remotely relates to the musings of the member for Rosthern.

Now the fantasy musings of the member from Rosthern may be entertaining to some but, Mr. Speaker, relevance to the piece of legislation that is before us right now is a stretch at best. And, Mr. Speaker, I would ask . . . I am sure the hon. member, given the opportunity, has some thoughts related to the Bill, and he'd like to bring them and make comment about them and we'd be happy to listen to them.

And, Mr. Speaker, I would therefore ask that you would find the member to be out of order regarding debate being relevant to the Bill and ask him to keep his comments to the issue before us at the time.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. Mr. Speaker, I was listening with rapt attention to the member from Rosthern's comments. And, Mr. Speaker, he was talking about The Saskatchewan Government Insurance Act and the fact that the Saskatchewan Government Insurance, Mr. Speaker, is one of the NDP's family of Crown corporations, Mr. Speaker.

And he was talking about the relationship of SGI (Saskatchewan Government Insurance) and the family of Crown corporations to the people of Saskatchewan, Mr. Speaker; Mr. Speaker, the impact that the Crown corporations have on the people of Saskatchewan, the impact that this piece of legislation is going to have, Mr. Speaker; and, Mr. Speaker, the impact that the losses at the family of Crown corporations is going to have on the insurance rates, Mr. Speaker, for the individuals, for the families, for the drivers, for everyone who has to buy insurance in this province, Mr. Speaker.

So the member was being very much on the topic, Mr. Speaker, in dealing with the costs imposed on the people of Saskatchewan by this NDP government.

**The Speaker:** — Well excuse me. Order please. I thank both members. I thank both members for their exhaustive advice to the Speaker and to the . . . and what they want to add to the debate here.

In this Assembly, on second readings, we have customarily allowed a very wide range of debate. However the rule of thumb that I would ask members to use that at least 50 per cent of what they say should deal with the Bill at hand. And topics that are adjacent, I encourage members to bring them in.

Order. Order, please. Order, please.

I encourage them to bring them in but I would think that we should make the debate under . . . that's at hand to at least occupy 50 per cent of the comments. So I invite the member for Rosthern to bear that in mind and to continue with his remarks.

**Mr. Heppner:** — Thank you, Mr. Speaker. And as we note I do have the Bill No. 15 in hand here so we will deal with that. We must, Mr. Speaker, when we deal with No. 15, as the point of order said, it is an exhaustive piece of legislation. It goes on for pages and pages, and it will take a long time to go through this.

The Saskatchewan Insurance Act, Mr. Speaker, and if we deal with particularly part 2.1(a) dealing with accident insurance, 2.1(b) accidental death insurance; aircraft insurance — I'm down to (e) — then over to (f) approved securities, automobile insurance. It's a very lengthy piece.

Now, Mr. Speaker, as we deal with that, one of the key components of Bill No. 15 . . . And I'd hope the people in government would have read their own piece of legislation. It always concerns me that they have some bureaucrat way out in the dim, dark halls of this place writing a piece of legislation, it comes on this table, and then they do not fully understand what they themselves are doing. And the reason that's scary, Mr. Speaker, if we look at item no. 15 or Bill No. 15, we will find that there are a substantial number of provisions that are put into regulations, Mr. Speaker, that are put into regulations.

And as the point of order was being discussed, there was a discussion as to whether this has any interest to the people who happen to be watching. Well I suggest, Mr. Speaker, it does. It's of interest to those of us sitting here on the floor of the House. It's of interest to those people sitting in the gallery. It's the interest to those people watching on television, Mr. Speaker.

Because the dealing with regulations, this is the part where government can take a Bill, can take Bill No. 15 and willy-nilly change it without it coming to the floor of this House, without it being debated in front of the people in the gallery, without it being brought to the attention of the people of Saskatchewan.

(14:45)

They can hide in those same dim corners of this beautiful building and change it because it's in regulations, where the cabinet basically sits down and they make those changes as they see fit behind closed doors, not even allowing all of their caucus in on it. This is a very reclusive and seclusive group, Mr. Speaker, that make these decisions.

Now we can debate this. And as I said, Mr. Speaker, this is a lengthy Bill and we will debate it. And as we go into it, it always becomes frightening, Mr. Speaker, when major parts of these Bills go to regulations. Because when they go there, the people of Saskatchewan, the citizens, have no way of knowing what's being discussed. They have no way of having any input in what's being discussed. And then they're usually not informed afterwards on what has been discussed and what decisions have been made, Mr. Speaker.

We find that very much in Bill No. 15, that things are being moved into the regulations. And that's frightening when we have this particular government.

And I just have the member from Prince Albert talking about being on the opposition side. Well I don't think he plans on running again, Mr. Speaker, so he may never be here. But if he does run again, he will be here. He will be here.

Because all we have to do is check on what's happening in Prince Albert. And we'll just check the political climate in Prince Albert as it is now with reference to that MLA, with reference to that MLA. That, Mr. Speaker, explains why that particular individual will be sitting on this side looking at the changes we're going to be making. I would suggest it would be nice to have him come to my riding sometimes during election. We'll have a nice debate.

Anyways, back to Bill No. 15, Mr. Speaker, Bill No. 15 dealing with the insurance Act. It is, as I said, a lengthy Act. And one of the things it does, it harmonizes deadlines with federal regulations, with federal regulations. And you sometimes wonder why it takes this government so long to do that. Like why wouldn't they have done this last year or the year or the year before that?

I'll suggest to you very definitely why we have a lot of the legislation we're having in this term, Mr. Speaker. It's unfortunate. They could have passed this in previous years of their reign, in previous years of their reign. But they're doing it now in the dying hours, in the dying hours of their reign. They're finally deciding to harmonize the deadlines that are given in various insurance pieces of legislation, federal and provincial, trying to harmonize those. They're doing it because it's the final hours and they want to go ahead and create certain situations that will be of their benefit.

There are also other items in here, Mr. Speaker. It deals with

mutual benefit societies are exempted from the Act, and that we support. And as I said, we're dealing with the harmonization. There are aspects we support. We question why some of those things took so long, and that's what we're doing right now. We also question why so much of it was put into regulations.

There are also disclosure requirements put on licence insurance salespeople to ensure what is occurring and who is actually dealing with the public in these situations.

Mr. Speaker, we've contacted the Insurance Brokers' Association of Saskatchewan regarding this piece of legislation. We've done, we've done that. And the first thing they usually say is, can I buy membership in the Sask Party so that when you get to be government we'll have these things that ought to have taken place a long time ago occur in a much more timely manner than waiting till your dying days.

It is the dying days of this government. We've seen that in the way that they've answered questions. We've seen that in the way they've answered questions.

And speaking of that, Mr. Speaker, we'll just have to relate very briefly to *Leader-Post*, Thursday, May 1 and there's an editorial there entitled, "To answer or not to answer questions . . ." And the question there, or the statement there, and I quote, is what's happening is, and I quote: "That's not democracy, that's dictatorship," relating to questions that are being answered and questions that are not being answered.

That's why we're so concerned about Bill No. 15. That's why we're so concerned about Bill No. 15 because, once these things become legislation and we want to go ahead and try and get answers, this is not a government that we can answer from, or get answers from. It's frightening, it's disconcerting, and the people of this province, Mr. Speaker, want some changes.

There's a good deal of detail regarding this Act and that's being moved, as I said, out of the Act into regulations. There's another very critical point, Mr. Speaker, because part of this particular Act . . . And had the government read this before they presented it, we wouldn't have had the member from Moose Jaw go into a long dissertation on SGI and how SGI relates to this. And I'm sure he should have known this, but he didn't.

This is not a Bill, Mr. Speaker, as the member for Moose Jaw intimated, that has anything to do with SGI. This is a Bill that deals a whole lot more with the credit unions. The particular changes that are contemplated deal with how the credit unions will be able to interact with insurance companies, with banks and insurance companies, independent insurance companies; can they sell it within the business, with . . . outside the business, can they own those kinds of companies. That's what it deals with.

Those are major issues, Mr. Speaker. Major issues that each one of us in this House have had addressed to us by businesses, by credit unions, by individuals in our constituencies back home. That is one of the specifics in this particular Bill that is being moved to regulations.

Mr. Speaker, as I've said earlier on, this is not a government that you can really trust with a piece of legislation in this extent.

And we wonder where else this is going to go.

And I basically pick up an article by Randy Burton called Straight Talk, this is Thursday, May 1, *StarPhoenix*. Headline, Mr. Speaker, is "NDP content to watch SaskTel squander." And we're dealing with the kind of government this is. And I want to, I want to read for the record, Mr. Speaker, only six lines. Only, only six lines:

This is how the government handles what it insists are . . . good news stories. It's no wonder it has . . . (so much) trouble with the embarrassing ones.

And how they deal with this particular Bill, and how they don't understand it, as I've just discussed, is one of those embarrassing ones. Last paragraph:

At this rate, Lieutenant-Governor Lynda Haverstock may wind up having to call . . . (an) election herself when . . . (the Calvert) five-year term expires.

Mr. Speaker, we've gone through year after year with pieces of legislation like Bill No. 15. We've raised concerns about it because government either doesn't understand it or turns a deaf ear.

Bill No. 15, in spite of many of its foibles and the things that are in there that we have some concerns about, is an Act that does address some of the concerns that are out there in the insurance business. And I listed those at the beginning — the accident insurance, accidental death, aircraft insurance, approved securities, automobile insurance — just to list a few of those.

And as a result, Mr. Speaker, we find that this is a Bill that, although we have discussed it at length at this position in the House, we would like at this particular point to move it on to committee, Mr. Speaker, where we can deal with it in more detail.

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

#### Bill No. 16

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Cline that **Bill No. 16 — The Coroners Amendment Act, 2003** be now read a second time.

**Mr. Heppner:** — Thank you. Thank you, Mr. Speaker. Bill No. 16 is The Coroners Amendment Act and it deals only with a few specific things in that particular area.

But as usual, Mr. Speaker, we have to ask some of the similar questions that we ask on so many pieces of legislation. Why has it taken so long? Why has it taken so long? There's nothing in here that's new. There's nothing in here that's new.

It's sort of the same question, Mr. Speaker, we probably would have asked, or did ask even when the Minister of Health got up and made his statement that they're going to cover a few more things under The Health Act. We were glad to hear that.

But the question was, why so long? There wasn't a single thing listed in what the minister said in that particular statement, Mr. Speaker, that dealt with any new technology, any new discoveries under health care. The question is how long . . . why so long?

Here we have it again, Mr. Speaker. Some of the things that are being dealt with in The Coroners Amendment Act deal specifically with when inquests are required and when inquests are not required, Mr. Speaker, and we support the changes that are being made. These changes should have been made a decade ago, because the technology, the directions, the abilities of the coroners was well enough advanced a long time ago that we could have passed this, as I said, a decade ago.

This will remove the requirement, Mr. Speaker, for mandatory investigations into the cause of death if individuals die in institution but they have a terminal illness at that particular point and have had it and it was a matter of record. That's fairly straightforward. It's a clear piece of legislation, Mr. Speaker, and we support that as well.

Now there's another part to this legislation and that deals with the fact that, in the past, health facilities have been very reluctant to allow coroners access to samples that they may have had from some of their medical testing on individuals in the past, because specific legislation did not exist in order to allow that.

And so understandably, our health facilities wanted to maintain and work within the legal framework that they found themselves in. Unfortunately the legal framework that has been put forward by this particular government is very seldom adequate, usually highly inadequate.

So this particular Bill, Bill No. 16, addresses that so that the health facilities can now share with the coroners the information that they have, the samples that they have, in the investigation that coroners may want to do.

Mr. Speaker, this particular Bill is essentially a housekeeping Bill and should make a coroner's job much more effective and more efficient.

We encourage this kind of activity and action and direction, initiative, from this particular government. It's not one that we've had, Mr. Speaker. It's not one that has been demonstrated. And as a result, Mr. Speaker, very often we find that people in this province lose confidence in a government when they don't take the initiatives that are out there.

And on that issue, Mr. Speaker, I wish to make a . . . take a quotation and put it on the record. And I will supply where it comes from after I'm finished. And I'll start the quotation:

. . . in any democracy or . . . any nation, in any nation when a government has lost . . . confidence of its people, when a government is stripped of its credibility, when a government has no vision, then it is time to defeat that government and give another group of men and women the opportunity to govern.

That, Mr. Speaker, was spoken on March 27, 1990 by our

present Premier, by our present Premier.

Now if we look at this piece of legislation that should have been passed a long time ago . . . It could have been passed, it should have been passed — it wasn't. It's that sort of thing, Mr. Speaker, it's that sort of thing that causes the people of this province to lose faith in this NDP government. And then, Mr. Speaker, it's time to give another group of men and women the opportunity to govern.

We will have opportunity soon. As the Saskatchewan Party, we will be given the opportunity. We will take it and we will do it well.

Bill No. 16, The Coroner's Amendment Act, as I said, Mr. Speaker, does have a number of initiatives that we support and therefore we will be moving this on to committee. Thank you.

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

(15:00)

#### Bill No. 17

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Cline that **Bill No. 17 — The Land Surveys Amendment Act, 2003** be now read a second time.

**Mr. Wall:** — Thank you, Mr. Speaker. It's a pleasure to enter into the debate on Bill No. 17, The Land Surveys Amendment Act.

Mr. Speaker, the Bill is symbolic, I think, of a slow, dawning recognition on the government side of the House that the land titles automation process that began back with this NDP government in 1996 has been an unmitigated disaster and has left the province, not only with a bill for \$107 million, but has also left us with a system that doesn't work. A system that has far too many bugs in it, frankly, for one that was purported to cost 19.7 million in 1996 in a NDP cabinet document; the bill now 107 million. Far too many bugs in it really for a system that came in on budget, much less one that's five times — fully five times — over the original budget.

Because what this Act intends to do is implement obviously some input that the government has received — I assume that ISC (Information Services Corporation of Saskatchewan) has received — during consultations with stakeholders with respect to the LAND (Land Titles Automated Network Development) project and our land titles system . . . the land system in the province.

And there are some specific measures in the Bill to do that. It provides, they say, certainty with the definition of the expression, legal description — this was the minister actually, his words. And secondly it will provide flexibility in requiring a surveyor to conduct a field inspection on a survey that's older than two years. And also it will require, in some circumstances, surveyors to restore lost monuments.

Now the first element of the Bill is particularly interesting, Mr. Speaker, and goes to the heart of a huge problem with the new

land titles system, one that the government seven years later — fully seven years later — is finally turning its mind to. And that's the whole issue of the certainty of the definition of the expression, and the legal description.

You know, Mr. Speaker, I can't tell you how many constituents of mine and how many people across the province have contacted myself, as the critic for Crown corporations and therefore the critic for the LAND project, ISC, and have also contacted my colleagues in the Saskatchewan Party in the opposition, to highlight — to highlight — their significant difficulties with this system. Highlight specific concerns that . . . I mean there's some attempt here by the government to address some of those concerns, but there are others that aren't addressed.

But some very, very basic omissions I would call them. We would characterize them from this system, this \$107 million system, basic omissions in terms of how land is described and how it's defined and the ease with which people can use the system, the ease with which lawyers can use the system.

Mr. Speaker, imagine this. Imagine the government announcing in 1996 that they were going to automate the land titles system in the province of Saskatchewan and the cabinet item that was approved by the cabinet of the day — I think the sponsoring minister would have been the current Minister of Health — and it budgeted the land automation project at \$9.2 million.

Well then they got into that a little ways, Mr. Speaker, and realized it would cost a lot more than that, a lot more than that. And they changed the budget over time. They expanded the role, something that Janice MacKinnon actually highlighted as a major concern. They expanded the role of ISC far beyond — far beyond — just automating land titles and into areas where Minister MacKinnon at the time was very concerned about this company thwarting the development of our IT (information technology) sector and competing, in fact, with the IT sector already paying taxes here in the province of Saskatchewan.

But the budget and the scope of the project increased to almost \$60 million. And so you would think, Mr. Speaker, that seven years later — well at that time, at the time the budget was approved it would have been two or three or maybe four years later — that the system would be well underway to being designed to address even the things we're addressing here in Bill 17, seven years later.

But also that it would provide basic elements of a land system, like an efficient description of land. We've always had a pretty efficient description of land in the province of Saskatchewan. The legal description has served us very, very, very well. Imagine, Mr. Speaker, imagine if you will, a government, any modern government, deciding to automate a land titles system and neutralizing, virtually neutralizing the benefits of that legal land description system that we have always had.

Bill 17 begins to address that problem, but it's seven years later and 107 million taxpayers' dollars later. And, Mr. Speaker, it is important to point out and to make sure that everyone in this legislature and that everyone in the province understands that it is \$107 million.

It started off as 19.7. They increased the budget to 60. The bill, the tab is 107. And here's why. The minister, current minister takes great exception with that. I'll hopefully not be . . . I hope he'll be generous with his sentiments, but I believe he'd take great exception to characterizing the Bill for this at 107 million, this system that Bill 17 seeks to fix.

The fact of the matter is he claims that 30 to \$34 million can't be counted into the overall costs of ISC because — if you can believe this — because it is the money that ISC has paid back to the government as a dividend.

You see with the old system, Mr. Speaker, the old land system when it was within the Department of Justice, there was an annual dividend that came. The land users of the system paid for the costs of the land system and in fact built into that was a small profit. And that profit was transferred by the Department of Justice, rightfully so, to the General Revenue Fund, estimated 10 to \$12 million; the last number of years closer to \$12 million.

So again quite rightly the government, when it decided to set up a Crown corporation to do this — and we would argue that it ought not to have done that — but it decided to set up a Crown to do this thing and quite rightly it told that Crown corporation when you're all set up and running, by the way we're going to need that \$12 million. The old system provided it. The new efficient, automated system will have to provide it. We'll need the dividend from ISC, the Information Services Corp, back to the General Revenue Fund.

But of course, Mr. Speaker, what happened, what became very apparent is not only were there all of these problems with the land system — problems that we're dealing with now in this Bill, Bill 17 — there was also the fact that the system couldn't support itself. It was hemorrhaging money; it was losing money. Not only was it taking more money than they thought to get going, but operationally it was losing money. So how in the world then could it pay a dividend back to the General Revenue Fund?

Well it couldn't, not in and of itself. So what did the government do, Mr. Speaker? Well they passed orders in council. The government approved money at the cabinet table, gave the money to the Information Services Corporation so that the Information Services Corporation could pay its dividend back to the General Revenue Fund. And they say, Mr. Speaker . . .

**The Speaker:** — I recognize the Government Deputy House Leader on a point of order.

**Hon. Mr. Hagel:** — Well, Mr. Speaker, on a point of order. Against my better judgment I have been paying rapt attention to the remarks of the hon. member for Swift Current. And, Mr. Speaker, the Bill before us, Bill No. 17, An Act to amend The Land Surveys Act, is a very, very short Act with very, very limited and precise references.

I'm sure you're aware, Mr. Speaker, it referred, and I don't . . . I suppose I could take about 40 seconds and just read the Bill into the record; I mean, we're not talking lengthy here, Mr. Speaker. And although again, once again, some may be enjoying the

mystical musings of the member for Swift Current, relevance again is the question, Mr. Speaker.

I understand the hon. member may have an agenda to attack the ability of Crown corporations to provide good service to the people of Saskatchewan, but his ability to draw those remarks into this Bill, Mr. Speaker, I suggest are not in order. As you will note as you look at the Bill, it makes reference to things like markings related to land surveys and the like. This is a housekeeping Bill, to describe it I think in a nutshell, Mr. Speaker.

And in the interest of appropriately carrying out the business of the House, I would ask that you would direct the hon. member to make his remarks relevant to the Bill that is before us. And we'd be happy to listen to the debate, informed debate that he would like to bring to the House in that regard.

I'd ask that you would find him out of order and direct him to make his remarks to the Bill before us, Mr. Speaker.

**Mr. Heppner:** — Thank you, Mr. Speaker. To address the point of order. And I think that point of order was definitely not well taken because if I listened carefully to what was being said, and there was a key phrase, Mr. Speaker, there was a key phrase that went through the discussion that took place and that is, the Bill seeks to address. And *Hansard* will show that phrase came up many times, which means that all the discussion that was taking place comes back to the Bill itself.

Now it's quite, it's quite acceptable for individuals as they discuss what the Bill seeks to address to move somewhat off to the side, but it does have to come back. This Bill did that, this Bill . . . or the discussion did that very well. When the discussion deals with what the Bill seeks to address, and I'm sure very shortly, Mr. Speaker, the member from Swift Current is not only going to deal with what the Bill seeks to address, he will be dealing with what the Bill does address, and then he will be dealing with his opinion on how well it does address that.

So we've had a very good discussion so far on this particular Bill, and I look forward, Mr. Speaker, to you finding this point of order was not well taken so the member from Swift Current can continue with his discussion.

**The Speaker:** — Well thank you both, the member for Rosthern and the member from Moose Jaw North, for your intervention.

I have been listening to the remarks made by the hon. member for Swift Current. I find that he was talking to land surveys. The title of the Bill is An Act to amend The Land Surveys Act. And within the limits that we have provided traditionally in this House, I would find that his comments were largely in order. He may have strayed occasionally, but I find that he was largely in order.

**Mr. Wall:** — Thank you, Mr. Speaker. And I mean the Bill is important.

And I began my remarks by reading the speech of the minister in charge. The minister in charge in his second reading speech, what does he say, Mr. Speaker? He says:

The Land Surveys Act, 2000 was passed in part to modernize rules respecting (the) surveying of provincial land and in part (wait a minute, here we go, in part) to facilitate the implementation of the new LAND (Land Titles Automated Network Development) system.

Well that's ISC, for members opposite who may not be in on the minister's briefing. That's what ISC is; it's the LAND project. And more to the point, more to the point for the member for Regina Elphinstone who is very interested in debate — and I commend him for that — more to the point, in the last number of years, this is the minister saying this, the minister saying this about this Bill:

In the last two years ongoing consultations with stakeholders have led to some suggestions for improvements (for improvements).

Well why in the world, Mr. Speaker, would there need to be any improvements if everything was fine.

And what we're doing today is talking about the things that are not fine, that are not fine with the LAND system and things that need to be addressed. The Bill begins the process.

And what we also need to be doing — and that's what this place is all about — is to hold the government to account for the fact that after seven years and a \$107 million, there are all of these problems still with the system that we're fixing still today. These changes presumably aren't going to be a big cost to the corporation; other changes may.

There have been other problems that have been fixed over at the corporation and we've given those officials, the new officials at ISC, credit. One of them was the new official, the new management ending the practice of ISC officials travelling all around the world to sell a LAND system that, as Bill 17 points out, doesn't work here in the province of Saskatchewan. They went to Australia and they went to Hong Kong and they went to Albania to sell a system that Bill 17 says doesn't work.

(15:15)

But the good news is that there's some management in place now that said look, \$200,000 a year for needless travel is crazy and we're going to put a stop to it. And we've commended that official over there, as we commend, at least in part, the government for introducing this Bill.

There are some specific questions that members also want to ask, and that later on that we'll want to ask in committee, regarding the nature of the certainty in terms of the definition of the expression and legal description that the Bill purports to offer the new system. That's a very important question, one close to the LAND users. And surveyors we know have been a part of this consultation, the surveyors in this province. And it's our understanding that they're quite supportive of it.

There are some questions of clarification that need to be asked and I know members, colleagues of mine, who wish to speak to this Bill. And so, Mr. Speaker, I'd move adjourned debate at this time.

Debate adjourned.

## COMMITTEE OF FINANCE

### General Revenue Fund Industry and Resources Vote 23

#### Subvote (IR01)

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

**Hon. Mr. Cline:** — Thank you, Mr. Chair. I'm very pleased to introduce my officials today. To my left is Mr. Larry Spannier, the deputy minister of Industry and Resources. And to Larry's left is Debbie Wilkie, the executive director of corporate resources. To my right is Bruce Wilson, assistant deputy minister of petroleum and natural gas. And seated immediately behind me is Jim Marshall, assistant deputy minister of resource and economic policy. To Jim's right is Denise Hass, acting assistant deputy minister of industry development. To the left of Jim is George Patterson, executive director of exploration and geological services. And to George's left is Hal Sanders, executive director of mineral revenue and investment services.

At the back of the Chamber are John Treleaven, president and CEO (chief executive officer) of the Saskatchewan Trade and Export Partnership, or STEP as it's commonly called, and Roy Anderson, who is the president and CEO of Tourism Saskatchewan.

And just very briefly, Mr. Chair, I appreciate the chance to speak to the Assembly today about the mandate and activities of the Department of Industry and Resources of which I'm very pleased to be the minister.

We've had a very busy and productive year in this department, its first year as a new organization. We've brought in new incentive packages for our oil and gas and mining industries, initiatives that are sparking new investment, new exploration, and new jobs in these key industries.

We've launched The Future is Wide Open campaign to celebrate our province's successes and promote our strengths to national audiences. We're telling people the truth about Saskatchewan, Mr. Chair.

We've continued to make key investments in research infrastructure through our Innovation and Science Fund and Strategic Investment Fund. And through our partnership for prosperity economic strategy, we've continued to strengthen the foundations of Saskatchewan's key sectors.

Mr. Chair, highlights from our department's budget for this coming year include \$3.3 million for an ethanol fuel tax rebate to distributors, \$1.6 million to encourage further exploration and mapping of our mineral deposits; finalizing a new Western Economic Partnership Agreement with the federal government and a commitment of \$25 million over the next five years as our portion of the costs; and \$8 million in the Innovation and Science Fund this year to match federal research funding of projects at our universities, colleges, and research institutes,

along with a commitment to renew the fund for another four years.

We're also increasing our transfer payments this year to both Tourism Saskatchewan and to STEP. And we're maintaining our existing funding to regional economic development authorities and neighbourhood development organizations, and to programs for co-operatives.

Mr. Chair, through this budget and through the hard work of our staff we will continue to build on Saskatchewan's current economic momentum. And we will continue to invest in infrastructure that supports our key sectors — sectors that create prosperity for Saskatchewan and jobs for Saskatchewan people.

We'll continue to seek out new investment and new business from both within and beyond our borders, and we will continue to build for our future — a future that we believe, Mr. Chair, is truly wide open.

So thank you very much and I look forward to questions from the opposition.

**Mr. Wakefield:** — Thank you. Thank you, Mr. Chair. And if I could, Mr. Minister, I'd like to welcome your officials here this afternoon as well. There is a lot of focus on economic development, a lot of focus on where the province should be going, where it has been going, and I'm looking forward to some of the questions and the responses that I'm sure will follow.

And thank you, Mr. Minister, for outlining some of the highlights of the budget that is before us and some of the things that we should be talking about.

First off, Mr. Minister, it would appear to me that the Industry and Resources budget overall is up about 12 per cent from last year. And with that in mind, and in relation to what the government is projecting in their budget this year, which was actually the revenues are declining, could you give me a justification why you are expanding the overall budget for Industry and Resources by a 12 per cent factor when in fact . . . when revenues are declining? To me that would be a non-sustainable situation. Can you explain that to me?

**Hon. Mr. Cline:** — Yes. Actually I'm very proud of the fact that we're committing resources in some areas to help build the economy of the province, because the things we're doing actually I think are working.

I'll give the member an example. In the oil and gas field, we have seen drilling up 70 per cent over what it was last year — drilling up 70 per cent. And that is because we have come up with some new policies in the oil and gas sector. And my point here is that we're doing some other things which we believe will build the economy in Saskatchewan. And I want to give the member the details here.

Part of our new funding enables the department to implement major royalty and tax changes and incentives, to stimulate increased oil and gas and mineral exploration and development in Saskatchewan. I mentioned that we had an oil and gas package. We also have a mining package. And in the mining

package is included incentives for prospectors to go out and find new base metals and gold, for example, in the North. We're assisting with that because we think it's important to invest today to expand the mining sector in the future.

I'm very happy to report that Saskatchewan has become the third largest mining jurisdiction in Canada. We used to be number four. British Columbia was number three, but now we've moved up to number three only behind Ontario and Quebec. But we want to do more. We want to build the mining sector. And to do that we're investing in prospectors' grants and other incentives to the mining sector.

We want to provide additional funding this year to the trade and export partnership, STEP, and to Tourism Saskatchewan. We believe that if we invest in STEP this year and hopefully in future years, they will increase the customers we have around the world for Saskatchewan products. And our economy is very export oriented so we should invest in seeking more trading partners because that helps employ people here in Saskatchewan.

Similarly, tourism is big business. We're increasing the budget of Tourism Saskatchewan because, quite simply, we want to bring more people to visit Saskatchewan and we want more Saskatchewan people to tour Saskatchewan as their travel option.

We are providing an ethanol fuel tax rebate to help build the ethanol industry in Saskatchewan, and that is a rebate to industries that will be selling ethanol to consumers, as we mandate the use of ethanol as part of motor vehicle fuel.

There will be additional funding to enable the province to participate in a new WEPA — that's Western Economic Partnership Agreement — with the federal government. These are funds that are used to establish economic development projects in Saskatchewan which contribute positively to the economy.

We're setting aside funds to establish a climate change fund to enable the province to participate in federal-provincial climate change cost-sharing agreements. And of course we're providing funding for The Future is Wide Open campaign, which is a marketing campaign designed to foster a positive attitude towards Saskatchewan.

And the people I talk to, not only in Saskatchewan but across the country, say that's what we should be doing. We should be telling people about the world-class people and the world-class things that we have in this province, such as the only synchrotron; the third largest mining sector; the world's largest oriented strand board plant; new sawmills; 8,000 more people working in forestry; 12,000 more people working than a year ago; the fact that half of the province is covered with forest, that a lot of people don't know; the opportunities that exist in Saskatchewan and which are being taken advantage of.

So all of those things require a commitment of funds and we are willing to commit the funds to ensure that there is continued economic development in this province.

And I want to say, Mr. Chair, and I'm sure that the members of

the opposition will be very pleased to hear this, that all of the private sector forecasters say that we are poised this year to have good economic growth, and also in 2004. We're seeing oil and gas up by over 70 per cent; 12,000 more people working than a year ago; 47 more . . . 4,700 more young people working than a year ago; one of the lowest unemployment rates in the country; a growing record . . . size of the labour force; more people working in Saskatchewan.

So there's a lot of positive things happening and we're going to build on that momentum through the activities that I've described because we want to build oil and gas sector, mining sector, forestry sector, and manufacturing, information technology, to name some.

And along with our personal income tax reform, which has made our personal taxes very competitive and amongst the lowest in Canada, Saskatchewan is poised to take off and is taking off, and we're supporting that and we're investing in it.

(15:30)

**Mr. Wakefield:** — Mr. Minister, that sounded very much like an election platform. Is that . . . Are you giving us a little heads-up that there's something very imminent here? Because if that's the case, Mr. Minister, how do you square that with what's happening in the last, the last year, in 2002 and years previous that you and I have discussed in this legislature?

The people in this province are not staying here. There is a population exodus from this province. Where's the confidence that you have been trying to establish over the last little while? That's not happening.

And you know very well in my part of the country, that's seen every day. Decisions are made on economic development on the basis of what is in front of them, and they will decide whether it is a glossy brochure approach or if it is downright fact.

I do give you certainly the benefit of the doubt and actually kudos, Mr. Minister, for the royalty incentives that was put in place recently. That, in my area, certainly has helped, and as an example the drilling for oil and gas in my area has increased.

So you're right. The point is right that if there are proper incentives in place and proper signals, things will happen.

And also I noticed that in the budget there was a corresponding tax revenue increase in those areas where there was a tax decrease.

The point, Mr. Minister, is if you want to attract economic development, don't talk about glossy brochures and partnerships and strategies that sound good. Put those incentives in place. Don't pick one or two areas that are obviously doing well anyway, because I think in petroleum \$35 a barrel might have had something to do with the incentive to drill for oil.

Those are the signals that we need. And those are the signals that your department particularly needs to put forward, and not just rhetoric.

So with that in mind, Mr. Minister, I would like to expand a little bit on some of the things that I found in the budget that were a bit troublesome.

The economy in 2002 actually contracted. After all the things that were put in place and your government bragged about, the economy actually shrunk. And like I said, population has left.

We need to build confidence in the people. We need to give them positive signals. And I struggle with what you've told me so far, Mr. Minister, that will make a difference when it comes time for people to either stay here or to look at Saskatchewan as a positive investment opportunity. Those are the things that economic development is built on.

**Hon. Mr. Cline:** — Well in answer to the member's first comment, yes, ultimately over the next year and a half there will be an election in Saskatchewan. And yes, we will be going to the people and telling the people the truth about what is actually happening in the Saskatchewan economy.

And I want to say to the member that the statistics he refers to in terms of the economic growth in 2002, which was negative, that is a figure that was published by the government in the budget itself. It wasn't any kind of surprise. It's been well known to everybody that Saskatchewan suffered two years of very serious drought. I was surprised to read in the paper that the member of the . . . the Leader of the Opposition . . .

Mr. Chair, I see that the member from Saskatchewan Rivers wishes to introduce guests, so I'll continue this after he's done.

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

**Mr. Wiberg:** — Mr. Chair, with leave to introduce guests.

Leave granted.

#### INTRODUCTION OF GUESTS

**Mr. Wiberg:** — Thank you, Mr. Chair, and thank you to the Minister for Industry and Resources for kindly giving up his time that I may introduce some guests.

Mr. Chair, seated in the east gallery are 29 students from Redwing School. Mr. Chair, they are accompanied by their teacher, Ms. Elchuk, and by their principal, Ms. Hanson. They're accompanied by five parents this afternoon.

And they've come all the way from just north of Prince Albert, Mr. Chair, so that they can spend some time in Regina and see our fair city and see some of the opportunities that students can enjoy, and one of them today is the legislature. They're spending about a half an hour here, Mr. Speaker, just being able to observe some of the proceedings of the House.

So, Mr. Speaker, I would ask that all members of the Assembly, Mr. Chair, join with me in welcoming the students from Redwing School, north of Prince Albert.

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

#### COMMITTEE OF FINANCE General Revenue Fund Industry and Resources Vote 23

##### (Subvote IR01)

**Hon. Mr. Cline:** — Thank you, Mr. Chair. Well as I was saying, I was quite surprised the other day to read the Leader of the Opposition was saying in the media that he didn't think the government should use drought to explain why the economy of Saskatchewan had negative growth in 2002.

And I just will make this observation that there aren't too many people in Saskatchewan that don't know that agriculture is very important to our economy. There aren't too many people in Saskatchewan that don't know that if you have a drought, that's going to have a negative impact on the economy. And I'm not going to dwell on that because it is so basic. I was just surprised to hear the Leader of the Opposition say that.

But I want to say to the member from Lloydminster and to the House, Mr. Chair, that we're not looking in the rear-view mirror and talking about what happened last year. We're looking toward the future and we're taking steps to make sure that Saskatchewan will have a prosperous future.

And we have a plan, Mr. Chair, and that plan is working. And we see that plan working because what we see in the province of Saskatchewan today is not the gloom and doom that the member from Lloydminster was referring to as if nothing was going on in our community.

This is what we see and these are the facts. Employment, year over year — March, this March, versus last March — was up 11,400. In other words there's 11,400 more people working in the province today than there were a year ago.

It's not a matter of bragging about anything as the member said, Mr. Chair, it's a matter of stating the facts. Because when the opposition Saskatchewan Party says everything is bad in Saskatchewan, I think people have to know that there are 11,400 people working in this province more than last year. So things can't be that bad. And that's not withstanding a drought. This year we're going to have much better economic growth than last year.

And our employment growth has taken us to the second highest record for the month of March. We have more people working, practically, than we've had in any time in our history. It is the 11th straight month of solid job growth, and full-time jobs were up 18,300.

In other words, not only are there more people working in the province of Saskatchewan, there are more people that have full-time work as opposed to part-time work, and that's something we should all be happy about whether we're on the opposition or government. We don't need this doom and gloom and going around saying everything's bad. We should recognize that many things, many things are good. Nothing is ever perfect but there are many good things happening.

And I'm very pleased to say, as I said in my first answer, that

for young people there are 4,700 more young people — those are people aged between 15 and 24 — working in Saskatchewan today than there were a year ago. That's good news. And we should celebrate that good news.

I want the member to know, because with the doom and gloom over there they apparently don't know, that our unemployment rate has gone down to 5.9 per cent from 6.2 per cent. It's the third lowest in Canada. So we're doing better than most provinces. And that's good news.

Our youth unemployment rate is the third lowest in the country. We have more young people employed as a percentage of young people. That's good news.

And I know that the opposition likes to get up and they'll say, oh well that's because so many people have left. Well I've got news for the members opposite. No, it's because more people are working. The numbers are up — 4,700 more young people working in Saskatchewan today than there were a year ago. And they can get up and complain all they want and go into their doom and gloom, but those are the facts.

I want the members opposite to know that the retail sales increase for Saskatchewan over the last year — these are actually February numbers — were up 7.7 per cent. They were up 7.7 per cent, which was the highest percentage increase in Canada. In other words, retail sales went up more in Saskatchewan than any other province. This can't be evidence that things are all bad in Saskatchewan; it's got to be evidence that people have confidence. There's consumer confidence.

And I want to say to the members opposite that they have never apologized for what they said after I introduced the budget of 2002 where I indicated that retail sales would be at a certain level and I was optimistic about it. They got up and said that I was making it up, that retail sales would never be as high as I said, and that retail sales tax would never bring in as much as I said. Well it turned out it brought in more than I said, Mr. Chair.

And that's the sort of thing that they do. They get up and say that nothing is good in Saskatchewan; this won't happen. But when it does happen, they never acknowledge that something good has happened. And I think we should start doing that.

I could go on and talk about department store merchandise being up 6.4 per cent. That's a big increase of department store sales. The fact that natural gas production is up 6.5 per cent and so on. Motor vehicle sales are up. Business and corporations, up 17.4 per cent. In other words, people are starting businesses in Saskatchewan because they're optimistic about the future. Not everybody shares the doom and gloom of the opposition.

But I do want to say specifically as well, the member says: what are we doing to foster a competitive economy? I want the member to know, if he doesn't know already, that we have . . . our personal income taxes have gone from the second highest in the country in the early '90s, right after we took office from the members opposite over there, to the third lowest. We have lower income taxes than most provinces.

We have improved business tax competitiveness by expanding

the corporation capital tax exemption. Now that exemption used to be \$10 million, that the first \$10 million of capital was not taxed. Now that went up to \$15 million as a result of last year's budget and that is going to go up ultimately to a higher figure than that, to \$20 million, by January 1, 2005 for Saskatchewan-based businesses. That will be the biggest exemption for business of the nine provinces that have a corporate capital tax.

We have reduced the small-business corporate income tax rate from 10 per cent, which it was when we took office, down to 6 per cent today, and it's going to go down to 5 per cent by 2005. So there are many things being done to foster a competitive economy.

The members opposite should know, Mr. Chair, that oil and gas drilling is up — I don't know if I mentioned this before — more than 70 per cent over last year. Oil and gas drilling is up more than 70 per cent over last year. Mr. Chair, that is a phenomenal increase. And when you have oil and gas drilling up over 70 per cent over last year, a 70 per cent increase, that means that you've got service industries working, you've got transportation working, you've got people in restaurants and hotels. So it's very good.

And the member says well, you know, you need more than glossy brochures. Well I've explained to the members, we put together a competitive tax regime. We put together an oil and gas package to get oil and gas moving. We have a mining package to move mining forward. And these things are working. We have a forestry policy that has resulted in 8,000 new jobs over the last five years or so in forestry and over \$1 billion private sector investment. And these things taken together — with the lowest manufacturing and processing taxes in the country, I might add, so we've got more manufacturing — mean that we have more people working.

And I say to the member, we need to convince ourselves that Saskatchewan is a positive place — and I'm convinced Saskatchewan is a positive place to live; I love living in Saskatchewan — and not just say everything is negative and bad all the time.

And I want to just before I sit down say, you know, you look at some of the headlines that there are. Here's one from the *Whitewood Herald* where it says, "Saskatchewan business optimistic about 2003." "Economic turnaround seen." We're seeing it already. "Big year for commercial building activity" — that's from *The Melfort Journal*. "Strong year for construction," also from *The Melfort Journal*. And finally, the *Leader-Post* which says, "More Sask growth predicted."

(15:45)

And you know, the member from Kelvington-Wadena, every time you talk about good news she says, well it's boring. Well I'm sorry to bore the member from Kelvington-Wadena but I do want to say this province is a great place to live. It's a great place to do business. It has a great future.

And you can get up and you may think it's more exciting and popular to just be negative about everything that's happening, but I'll tell you there are a lot of people, Mr. Chair, that are very

positive about Saskatchewan's future. And I'm one of them and I invite the opposition to join Saskatchewan people and also say something good about the province.

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

**Mr. Wakefield:** — Mr. Minister, you're dead right. It's a great province and I'm proud to be here. And just wait until we have another election, and there's going to be a lot of people coming back to this province to celebrate what this province has in potential. And that's the . . . And if you feel that it's going over so well now, I suggest that either you read the polls or you call an election then so that you can continue on with this great plan that you have.

I gave you credit, Mr. Minister, for talking about putting the tax incentives in the right place, and I gave you credit for directing them for instance to the oil and gas sector, and I told you that those are the areas that have responded well. From my perspective, from my constituency, that was the right thing.

Now the activity that spins off from that, the servicing industry that you talked about, those are all increasing. But I haven't seen a new company initiate a new business, Mr. Minister, in my town on the Saskatchewan side. And I'm not sure why that is, if it's so pleasant and so positive from the way you describe it.

When I think about the economic advantage that we have here in Saskatchewan, you're on the right track. And we have to be as certainly at least competitive if we're going to attract the investment that is so desperately needed. Not government investment. I mean private enterprise investment in this province.

And to get that investment in this province you need confidence of that investor. And that confidence at this stage is still starting . . . still standing back and wondering if this government is going to continue to invest in the economy and to keep driving the economy, with the investments that Crown corporations and the government have been so prominent in the recent times.

I'd like to get down to another more specific question, if I could. You talked about the agricultural base of the economy and Saskatchewan. It's been critical. I was involved directly in farming for 20 years and in the grain industry for a number of years after that. I won't tell you how many because you'll start adding up the numbers and that's maybe unfair.

But just so that it's on the record, could you tell me what . . . and maybe this isn't the economic development but we keep talking about why the economy has been sluggish and you keep referring it to the two-year drought. What percentage of the economy is attributable to the agriculture sector?

**Hon. Mr. Cline:** — Yes, I'm happy to answer that question, Mr. Chair.

It does vary somewhat depending upon the year, obviously, because . . . whether you have a drought or not. For example, production on the farm in 2002, I think, was down about 23 per cent from what it would normally be. So production was quite down and so in 2002 the farm sector would be a smaller part of

the GDP. I would estimate in 2002 the farm economy must have been 7 . . . somewhere between 6 and 8 per cent of the GDP.

Oil and gas was the largest and I believe it was 8 per cent. Farming would be about, let's say, 7 per cent. I mean we don't have the final figures yet. And then mining would be next at about 6 per cent. So you can see they're all very large as a part of the GDP.

And farming, if you had a very good year, you can see that if oil prices went down, for example, and farm commodity prices went up, the farm could become 8 per cent of the economy and oil could become 7. But for 2002 I believe oil and gas was about 8, farming was about 7, mining was about 6.

Now if you looked at it another way, if you looked at non-renewable resources of oil and gas and mining, they now account for about, you know, 14 per cent of the GDP, which would be roughly twice as big as farming was last year, if you look at it that way. So they're all very big, they're all very important, and we want them all to do well.

And before I sit down I do want to thank the member for indicating in his last question that having looked at our economic development plan, I think the record will show the member said we're on the right track. And the member and his party had not acknowledged that before, and I'm gratified to hear that the opposition acknowledges we are on the right track. And I thank the member for that comment and the honesty with which he made that. And so that's the answer and I hope those figures are helpful to the member.

**The Chair:** — Order. Order. If I could have the attentions of members. There seems to be a lot of private conversations going on, including the east gallery. And I would ask hon. members to please come to order and if they have conversations to take them behind the bar.

**Mr. Wakefield:** — Thank you, Mr. Chair. There's no doubt, Mr. Minister, that to encourage economic development the right stimulus has to be in place and we're talking generally taxation and other kinds of royalties. That's a common element through any economy that's been lagging and I certainly have admitted and agreed that you're going in the right direction — but only in the right direction.

We have to be vigilant of what we're competing against. Provinces just don't exist by themselves. We are a global entity and we have to make sure that we can be competitive with other jurisdictions. Agriculture in Alberta was experiencing the same difficulties. Agriculture in Manitoba, maybe not to the same extent. I'm not sure that either one of those economies shrunk during 2002 using agriculture as the main culprit in that particular case.

While I'm on my feet, Mr. Minister, I have another question that is maybe . . . it's very apropos right now because of the Canadian dollar showing such a strong relationship to the American dollar. And my question would be, when I read through the budget, it was projected that the dollar would be approaching about 70 cents but not by about 2004-2005. Now it's approaching or past that, I think, yesterday or today. And I

heard Mr. Treleven this morning on the radio — and I have to admit at 6:30 in the morning I wasn't listening very carefully — but I'm sure I heard him discussing this issue about the Canadian dollar.

I want you to explain or give some confidence to the people watching that this in fact is . . . Is it a good sign, is it a bad sign? Is this going to affect the overall economic development of projections and plans based on the budgetary documents that were presented to us? Is this going to affect both the productivity that we're going to have to see to meet the rising dollar? Because the lower the dollar, the less focus needs to be placed on productivity.

And also, supplementary to that, how is that going to affect the investment potential of what we want to draw into this province?

**Hon. Mr. Cline:** — Well it's a very controversial subject when the value of the Canadian dollar is going up, because on the one hand some will argue that it makes it more difficult to sell our goods to the United States. But on the other hand the reason the Canadian dollar goes up relative to the American dollar is because the Canadian economy is seen as stronger, as getting stronger. And Saskatchewan, of course, is part of the Canadian economy.

So it's positive from an investment point of view that it's an indication that investors would want to invest in Canada. And that will therefore positively impact Saskatchewan.

So it's a double-edged sword. It means that it may be more difficult to sell commodities. But on the other hand, it means that our economy is strong, people have confidence in it, therefore they may invest in the economy. And that is the view that we take, that our economy is strong and that we're going to see more investment in the economy and more jobs.

And we're seeing that this year for sure. I won't go over the figures I gave before. I don't know if I mentioned that oil and gas drilling was up 70 per cent, for example. And I won't go over all of them. But those figures show there's more investment in our economy. And so I think it's good from that point of view.

It also is interesting to note that the American economy is not doing as well. Most of the governments in the United States, and especially the government of George W. Bush federally, have very, very big deficits — something that we don't have to the same extent in Canada.

And many of the problems that Canada came through in the '90s, the US (United States) seems to be going into now, which is interesting because a lot of those places tend to have conservative-type governments like the administration of George W. Bush — which is kind of an irony because one expects that the conservatives are supposed to be fiscally responsible but often we see governments like that going into very big debt.

So that's our view on the Canadian dollar. We know that it may pose challenges to some people that are exporting, but on the other hand we believe it reflects that our economy is

fundamentally getting stronger than it was before and that's being recognized by investors.

**Mr. Wakefield:** — Thank you, Mr. Minister. I think it's important to remember that the budgetary numbers and your projections were based on a certain anticipation, and that I see the anticipation in the budget items would indicate that there would be an increase in the value of the Canadian dollar relative to the US.

Unfortunately or fortunately as the case may be, to be able to remain competitive and market into a global, i.e., US-dollar economy, our economy or our businesses have to become much more productive in the same relation that the dollar is different.

With that in mind, I'm wondering if I could ask you and through you, to the STEP organization, how does the 70-cent dollar, how does that affect the relation then between what we are manufacturing and what we are exporting, the productivity of that, and the confidence of our people to be able to keep up to that kind of a change in the dollar value?

(16:00)

**Hon. Mr. Cline:** — Yes. I did, Mr. Chair, as the member suggested that I consult with the president of STEP, and I have done so. And he advises me that basically their view of the Canadian dollar is as I have described it in the previous question.

But in answer to this specific question, I'm advised that five years ago, for example, the Canadian dollar was where it is now and that we were able to export very well. And our feeling is that Canadian, Saskatchewan businesses are able to adapt to the higher dollar, that they deal with challenges on a daily basis, or a yearly basis, that it's something they can adapt to.

I should say — I don't have the figures in front of me — but I believe that in the 1990s Saskatchewan I think on a per capita basis was the jurisdiction that increased its productivity more than any other province. Our people are very innovative and productive and so we think that the Canadian dollar, while it will be a challenge to exporters whose product is totally produced in Canada, they will cope with it and do very well because the economy is fundamentally stronger than it used to be. That's our view.

Of course on the other side there's some people that import from the United States something that they may want to add value to, and for those people of course the higher Canadian dollar is an advantage. And it is also an advantage for anybody that has debt that is denominated in American dollars, of course.

I'm also advised by Mr. Treleven that one of the things STEP is doing is to advise businesses how to hedge against a higher dollar. Some of them already will do that, others may get into that — hedging being a way to sort of stabilize the risks associated with fluctuating currency value. And I won't go into all the details; it's quite complex. But in any event they want to talk to businesses that may wish to take advantage of a hedging strategy against a higher dollar as well.

**Mr. Wakefield:** — Yes, thank you, Mr. Minister. I think that's an important item and I think we have to continue to have confidence that Saskatchewan can in fact cope with that. And in fact Mr. Treleaven explained that this morning in his radio interview and I was pleased to hear that.

But following on that, maybe just another question. Is there an economic impact from the earlier Canadian government decision not to support the US militarily in Iraq? We've heard some anecdotal evidence that that might be the case.

I've asked a colleague of yours earlier in the . . . in a legislative questioning if that was in case of the fact at the time. And I'm wondering if your officials have determined that there may be an impact on how our relation has been affected and therefore the economy, that we need to work with them over a longer period?

**Hon. Mr. Cline:** — I'm advised that there has been no discernible impact on exports. We have not heard from the business community that their exports have been hurt by the Canadian government's stand with respect to the war in Iraq.

And I'll repeat what I have said before which is that I think that what you will find dealing with Americans generally — and we do value our relationship with Americans — that they are very business oriented and they are going to do business in a way that makes sense to them.

And if it makes sense economically for them to buy Canadian goods, they'll buy them. And quite frankly, if it didn't make sense for them to do that they probably wouldn't be buying them now because . . . And not being critical of them, they're like anybody else, they want to get the best deal; and if it's the best deal for Americans to buy Canadian products instead of getting them somewhere else, I think that that's what they'll do.

And I think, notwithstanding our differences over the war in Iraq, I think that we have a long history of friendly relations which will continue, in trade and other areas.

We've had disagreements with American foreign policy before and we will again. And we regard foreign policy actually as being different than trade policy, but I'll leave it there.

And with that, Mr. Chair, I'd like to thank the opposition member, the member from Lloydminster, for his very helpful questions today. And I'd also like to thank my officials from the Department of Industry and Resources, and STEP and Tourism for coming to the legislature today to participate in this process.

And I think that that's . . . we're going to move on to other business now, so. And yes, I move that we report progress and ask for leave to sit again . . . (inaudible interjection) . . . okay, that we report progress.

**General Revenue Fund  
Highways and Transportation  
Vote 16**

**Subvote (HI01)**

**The Acting Chair (Mr. Trew):** — To lead us off I would

invite the minister to introduce his officials.

**Hon. Mr. Wartman:** — Thank you very much, Mr. Chair. Before I introduce the officials, some of you will notice some changes in the officials who are here today and so I would like to inform the legislature of structural change in the organization of our department which is taking effect today, May 1, 2003.

Our announcement provides for reporting relationships and responsibilities to better align the department to meet our future needs. Barry Martin, who is well known to members of the legislature, has agreed to take on the role as associate deputy minister of an enhanced policy and programs division responsible for transportation policy, transport compliance, and partnership programs and services branch.

The operations division will include the three regions and the engineering services branch. Stu Armstrong has agreed to take on the role of assistant deputy minister for operations division.

Now I would like to introduce the rest of those . . . of the officials who are with us today. Harvey Brooks, who is deputy minister of Highways and Transportation, is to my left. To my right, Stu Armstrong, our new assistant deputy minister of operations, and we welcome you, Stu.

Behind me is Don Wincherauk, assistant deputy minister of corporate services. And Fred Antunes is next to Don; he's director of operations planning and business support. Mike Makowsky, manager of transportation and trade logistics is sitting to the left of Fred. And Terry Blomme, executive director of the southern region, is sitting immediately behind Stu. And Cathy Lynn Borbely is leader of our budget development, is sitting in the back row.

And just a note that our new associate deputy minister, Barry Martin, would be here today but is absent due to personal reasons so was unable to be with us. And if there are questions that Barry in particular has the background on that we're not able to give to you today, we will certainly get those answers to you as soon as possible after Barry has returned.

**Mr. Hart:** — Thank you, Mr. Chair. And welcome to the minister and all his officials, and particularly the officials that are new positions. I certainly welcome them and look forward to working with them.

Minister, I looked at the latest, the new . . . annual report, the most current annual report that's available. And in that report on page 14, your department talks, or you talk about the goals of the department and some of the key actions for 2002-2003 are under objective 1, preserving the primary highway network. And one of the . . . the item that caught my attention was, develop a three-year capital plan.

I guess my question is, Minister, if you could elaborate on the extent of that three-year capital plan, in view of the fact that elsewhere in the report there's mention that some 14,000 kilometres of highway, although they may be thin membrane surfaces, are beyond their 25-year . . . or their service life.

And then also within the report, there's an objective stated to rehabilitate the highway system every 25 years. And yet when

we look at this current year's program, we see some 750 kilometres of the highway network is being rehabilitated.

I just wonder if you could . . . If we look at some 26,000 kilometres in the highway system, and 14,000 kilometres are already beyond their service life, and your goal is to rehabilitate the whole system in 25 years, it seems to me that we have to certainly do more than 750 kilometres in one year. And I'm just wondering if you could elaborate on the three-year plan and how all this fits together.

(16:15)

**Hon. Mr. Wartman:** — Thank you. There are actually a number of points within the question that need to be addressed. And first of all, I think if you will look at the report, you'll note that it says 14,000 kilometre years. And there's a process for arriving at that, and basically it is to take the number of kilometres times the years past service life. And so that, with that formula then, basically we are identifying the years of life that are past here.

So what we need now to emphasize, and what we are emphasizing in our planning, is that we want to get all our pavements on that 20- to 25-year life cycle. And so right now what we've got with the three-year plan, and why we held back on putting that forward for a time, is because we needed to make sure that before those numbers came out that we had secured our federal funding.

And part of the reality in dealing with the federal government is that they want new dollars in terms of any matched funding. And so we have to be very, very careful in terms of the negotiations, in terms of the planning that we lay out, that we have room to move in our negotiations with the federal government so that we can maximize the dollars that we're able to get from them for our . . . improving our highways in Saskatchewan.

**Mr. Hart:** — Minister, within the three-year plan, perhaps you could expand on . . . has that plan been finalized?

Could you — and if it has been — could you give us some indication as to what . . . within that plan, does that plan deal with the problem of providing primary highway access to economic . . . standards of economic activity? Does it address the situation where grain terminals are located 20 kilometres off the primary highways? And there's been a . . . on a number of occasions in the past I've — myself and other members from this side of the House — have raised that.

Does the three-year plan include extending that 15 kilometres say to 20 kilometres, as far as the primary weights being hauled off of primary highways? And also, does the plan include some initiatives to address some of the problems in urban centres where we have provincial highways, and in particular some of our national highways? I'm thinking of Regina and Victoria East, and the traffic congestion there. Does the three-year plan address some of those issues, Minister?

**Hon. Mr. Wartman:** — Well the three-year plan, as been released so far, deals with a number of factors.

Now you'll know that a lot of dollars are locked in, due to programs that we are in relationship with the federal government on — our twinning programs, our Prairie Grain Roads Program, and the SHIP (strategic highway infrastructure program) program. However though we know in the first year clearly where our dollars will be spent, we know that in the subsequent two years there will be, there is still flexibility where everything is not locked in completely over those periods.

But what we are trying to do in the three-year capital plan is to enable the stakeholders to also do some planning. And that will be our road builders, it will be some of the others who are looking at what they're doing in terms of purchase of equipment, in terms of planning for development in a particular area as well.

Some of the concerns around weights. Well I think we've already indicated in past questioning that we are doing a review of the primary weight system around the province, and so some of those issues may not be addressed in the capital budget but may in fact be there in some of the rebuilding that we'll do over the following years as well.

We're looking at over this by . . . probably by mid to the end of May, we should be able to finalize our three-year capital investment program and make that information available as well. For the, probably next year we'll be looking at about a clear sense of . . . Well, we figure for next year probably in the range of, we should be able to picture about 80 per cent of what will happen in capital.

In terms of primary weights, in terms of those questions that have been asked about increasing to primary weight capacity for rural economic development, those things are being discussed, negotiated, and are not included particularly in this three-year plan.

**Mr. Hart:** — So, Minister, what you're saying then is those areas who, that have been calling and asking for primary access — I'm thinking of Trailtech in Gravelbourg and the Bourgault plant in St. Brieux and those sorts of things — those sections of highway are not in the current three-year capital plan? Is that what you are saying, Minister?

**Hon. Mr. Wartman:** — Well I think a couple of pieces are very important. We've talked about the negotiations that are going on, on a number of those fronts, where there is economic development. And when our capital plan is finalized you'll know for this year whether or not those roads will be included. That picture will be clear for this year. In the out years, the following two years, each of those years will have more flexibility built into it.

The other thing that, as I've indicated earlier, makes a difference in terms of how we can set those priorities for some of those areas is what we're able to negotiate in terms of partnerships with municipalities with the industries involved. Some of those partnerships will be trucking partnership agreements and some of them will be in terms of actual building, road-building partnerships where either in kind or dollars are put into it by municipality or by the industry involved.

So there is limited flexibility there. There will be . . . Hopefully by the time we are able to put forward the capital plan in May, you will know what will be included for this year in terms of those rebuilds that say, for example, for St. Brieux, that might enable primary weight rebuild for those highways.

But we do take very, very seriously the guidance of the area transportation planning committees in terms of setting the priorities. That goes into the work of setting where the funds will go in the capital plan as well.

**Mr. Hart:** — Minister, you mentioned that negotiations have to take place, and you mentioned that perhaps there's partnership . . . trucking partnerships and also partnerships in the actual construction and the funding of the construction.

So are you saying that what your government's policy is that in the . . . Let's use the Bourgault plant at St. Brieux as an example, Minister. Are you negotiating with that plant to have them participate in the actual cost of reconstruction of that highway? Is that what you're saying? Is that the policy of your government that you have, you expect these generators of economic activity and revenue in our province to also pay for the highway system that serves their area? Is that your policy?

**Hon. Mr. Wartman:** — Our first priority — in terms of the negotiations with the people who are looking for the ability to haul primary weights — our first priority of course is to make sure that we are looking after our road system.

And we also, in terms of our discussions with them, we want to try and get to win-win situations, which is what we're able to do in our trucking partnerships where we share the benefits. And out of those benefits, then we use those funds to help build and sustain our roadways and our safety.

(16:30)

The other . . . I mean, we are . . . In the whole process, we try and find innovative ways to meet the needs of those who are trying to develop in, say, St. Brieux or in . . . Doepker Industries would be another one.

And we work with the municipalities. We've set up alternate haul routes so that we can preserve our pavements so that those people who live in the area will not run into, say, a TMS (thin membrane surface) road that is being broken up prematurely.

And so, what we're trying to do is, first of all, we're trying to maintain our road systems and develop them using the best stewardship that we possibly can. And as you will well know from your own petitions and from other questions that have been raised, demands are wide. They come from all over the province.

And therefore, when we can't find that solution within a particular range of our budget to rebuild, then we work with those groups — the area transportation planning committees, the municipalities, and indeed with the industry themselves — because if they're going to see significant benefit, they're also looking for solutions that will be workable and timely for them.

And where we can work out an agreement between all who are

involved in that, that will be a win for those folks and will also help preserve and develop our road systems, then yes, we'll work on those partnerships. And to this point, I think we've got some fairly good agreements that have developed where the industry is looking at it and saying yes, this is good for us too.

And they appreciate the kind of work that's gone into forming those partnerships and the co-operation that there is between our department, the municipalities, and themselves.

**Mr. Hart:** — Minister, I would put forward that, with the additional federal dollars that the federal government is putting into highway construction in our province on an annual basis — they're not large but everything is . . . it helps — and that will enable the completion of the twinning systems, twinning of our national highway systems more rapidly than was originally anticipated.

I am told that there are a number of centres, in our cities in particular, who are sitting patiently and waiting for the twinning to be complete. They realize that, you know, governments only have so many dollars to spend on the highway system and the twinning is a top priority. But once the twinning is complete, that they are going to be coming to government with their needs and some needs are fairly substantive.

I mean all we have to do is look here in the city of Regina with the traffic congestion we have here on Victoria east. I believe that, at least from the city's viewpoint, there is an initial plan for a complete new bypass, which we're looking at 10, \$20 million, 30 million perhaps, maybe higher the minister is indicating. So that's out there in the long term, and I don't think anyone is expecting that to happen within the next two or three or four years perhaps.

But I would ask then, are those major infrastructure projects that are required to address some of these problems? I'm sure there are major projects in the Saskatoon and Prince Albert and North Battleford areas, and Moose Jaw, and those sorts of things that are out there on the horizon. And those communities are being very patient until the twinning project is completed. And then, as I said, will be coming forward with those.

So has your department . . . I mean we're talking about a three-year plan but I think what we need is a five- and a ten-year plan. Is your department doing that type of planning? And I guess, as an example, if you could indicate where does this whole traffic problem on the east side of Regina, where is it in that long-term planning process?

**Hon. Mr. Wartman:** — Well I appreciate the question because in terms of the planning that goes on — I mean we're looking at a three-year capital plan here — but in terms of the planning that goes on, the department has been working over many years and continues to work at long-range planning, trying to work with all of the municipalities, both urban and rural, to anticipate what the needs are for many years out.

And so for example, and you point to the east side of Regina. The east side of Regina is an interesting case in point because their work that was done in long-range planning did not really anticipate that the city would make the decisions to do the developments that they did out around what was basically

highway. And yet it was on their land, so they had the right to do that. But in doing so they created . . . I mean cut into the timeline and created a bottleneck there which we, in our planning and working with the municipality, are still going to be working on addressing.

So long-range planning around this area, you're right, it does include bypass. There have been a number of models that have been and are being looked at and discussions are going on with the city here. The same in Saskatoon, recognizing that there are changing needs. Traffic flows are increasing. We would look for example to North Battleford where we knew that there were changes in patterns there. We were doing the twinning project on the Yellowhead. We very successfully did long-range planning there. We now have the dual bridges in which are — and working on the associated roadways around those bridges — which are providing for the needs of the Battlefords.

And so in terms of planning, that is ongoing, it is long-range, and so it's not a contradiction of the three-year capital plan; it's just the three-year capital plan is enabling a shorter view for us that is more concrete. That also is being done to help our partners in terms of their own capital planning. What do the road builders need to do? What kind of equipment might they need? What kind of hiring or training might they need for the years ahead?

So we're giving them a little more solid base to work with. And at the same time we're also working with communities like Estevan, communities that are seeing changing patterns and are looking down the road. What will Estevan need, for example, to meet the truck traffic that is moving from — say we'll give one of the national highways routes that comes down — Edmonton, No. 16, down No. 11, down through 6, and then 39?

We know that the demands are there and so we work with the communities. We're meeting with them to look at how we can best meet those needs down in the future — I won't say down the road, but in the future.

And I think that the level of planning and the level of discussion and negotiations that continue with our municipalities is, from my perspective as a minister, very commendable. And really I think the relationships have been quite positive as we try and do joint planning.

When we come closer to the actual events, then it becomes a matter of breaking the dollars loose and committing them. And first of all it would be the planning dollars. If we're going to do something on Victoria East, we'll need the planning dollars in place. Then we need the development dollars in place, and we'll work on a partnership with the city there.

Since by law, as I indicated last time, communities over 1,000, the roadways within their boundaries are generally theirs. Well we'll work with the city then to find out how we can partner to complete this work, to make sure that the traffic flow is happening there effectively.

So long-range planning is going on. It is not a contradiction of the three-year plan. The three-year just gives us a more direct focus for that period.

**Mr. Hart:** — Minister, you indicated and referred to the traffic congestion, the problem here in Regina on Victoria East. Now do I understand you correctly? Is it your government's position that that highway and that bypass as it exists now is solely a city of Regina responsibility, even though it is part of the national, the Trans-Canada Highway and a good . . . or at least a significant portion of the traffic on that stretch of road is actually interprovincial traffic that's just simply trying to get around Regina?

I'm sure you've driven that, as I have, at 5 o'clock in the afternoon and seen the congestion. And I guess I would ask, has your department, do you have any short-term plans — and we'll leave the long-term planning — is there any short-term plans and any discussions going on with the city to come up with a short-term plan to alleviate that situation?

**Hon. Mr. Wartman:** — Currently what is happening is the department is working with the city. We're in the design phase for dealing with the traffic situation.

But in terms of the more general question that you're asking, in terms of flow of traffic and who owns what roadways, I believe it was 1984 that the legislation was passed where communities over 1,000 basically are to own the roadways within the municipal boundaries.

And yet we continue to work with those municipalities recognizing that even though it may be on a national highway system or it may be a secondary highway system that the traffic is flowing through, that those communities also benefit from traffic moving in and through. And you'll be aware of course of many communities who are concerned. As new roadways are built, they don't want to be excluded because there is an economic impact. So the communities — though there can be problems with congestion — also want to make sure that they are not excluded from the possibility of the economic benefit that they will gain.

So when we're working on this particular one in Regina, we're now working with the city officials. Our officials are working with the city on a design phase to deal with the congestion. And longer term, there have been some drafts of how we might look at a bypass, but we want to do those kind of planning workings in regard . . . in relationship with the community. We don't want to do it excluding the communities. We want to make sure that they have some say and some involvement. And we do this . . . Some people will be aware of Moosomin being a case in point where the community is making their case — why should the road go in a particular place next to Moosomin?

So we try in all of our work to hear what the needs are. I was talking . . . there were questions from the member from Rosthern last week about what our plans are around intersections and potential twinning of No. 11 by Rosthern.

And again the department has been engaged in long and, I think, very respectful discussions with the communities to try and make sure that we are meeting the needs of the communities, but that we are also meeting the department needs to provide good transportation for intra and interprovincial and cross-border traffic.

**Mr. Hart:** — Minister, if we could zero in on this traffic situation here in east Regina. I'm told that a short-term solution might be to have an additional turning lane so that we would have two turning lanes allowing the westbound traffic to be able to make that left-hand turn and head down the bypass and on their way.

Is that part of the design that's being done in your department in conjunction with the city that you talked about? And if in fact that is, are there funds? I'm told that the cost of doing something like that may be 2 or 3 or \$4 million and I'm also told that perhaps there may be a cost sharing in that short, or interim solution. What is happening within your department to address that serious situation?

(16:45)

**Hon. Mr. Wartman:** — Thank you. Yes, in terms of the work that is being done, the city basically is taking lead on the design and working very, very closely with the department as we try and figure out what is the best way of staging this rebuild of Victoria East and the interchange there. And certainly the second lane, as you've pointed to, is one of the options that's being put into the works as they're trying to work out a final design.

And as I say, the city is taking lead but they are working with the department very closely. Once we've got the design phase complete — which we are co-funding with the city — once the design phase is complete, then we will know what our costs overall will be and we'll be in negotiation with the city, as we've been working with them closely all along. We'll be in negotiation with them to find out what part we will play in the overall funding, building, and we will make sure that this is done right in relationship with the city.

**Mr. Hart:** — Minister, in that overall proposal what . . . I'm also told that there's an issue of maintenance costs on that section of highway and that it is — if my information is correct — it is the position of your government that you expect the city of Regina to pick up a significant portion or perhaps 100 per cent of the maintenance of that section of road. Is that in fact the correct information? And how do you — if in fact that is correct — how do you explain that this section of highway being a part of the Trans-Canada Highway system, do you not feel that your government has a role in maintaining that section of highway?

**Hon. Mr. Wartman:** — One of the things I think it's important to recognize that over time with the growth of the city is that the character of the traffic flow does change and it becomes more urban city, local traffic flow that is going on, going on these roadways. And what we have done in this situation and in other situations is we have continued to negotiate responsibility.

We work within the laws but we also recognize that we do share some of the responsibility and therefore we do share sometimes in maintenance, sometimes in cost with the cities. And that has been a matter of negotiation, not a hard, fast rule like, okay it's yours; now you're cut off.

I think it's part of the nature not only of Saskatchewan but of Canada is that we try and work through things with negotiation. That is indeed what is happening here and we try and give

mutual support in a variety of ways to the city so that we can best meet our needs in terms of the traffic flow that we're responsible for.

And they have made a number of decisions that have really changed the traffic flow in that particular area that we have no input on. And so based on their decisions, with changing flow, there are changing responsibilities, and what we need to do is work with them to find the most amenable situations . . . solutions to these problems.

**Mr. Hart:** — Minister, you refer to a number of decisions that the city of Regina has made to change the traffic flow in that area, and I presume you're talking about the economic development that has happened in that area of the city and also the residential growth to the south of that area.

Minister, those are all things that would increase the tax base of this province and generate more revenue. And I would suggest that any government would naturally assume that they have responsibilities to maintain the national highway system even though a section, a larger section of it now is within the city boundaries and those sorts of things. And I would just urge you to take that into consideration when you are looking at making those changes in that area.

Minister, I see the . . . I have quite a number of other areas that I would like to raise with you but the hour is getting late and I don't see any point in raising areas such as the strategic rural road initiative and the trucking initiative and that sort of thing.

So I look forward to discussing with you and your officials at a future date in the Assembly a number of these other issues. And I know my colleagues have a great number of questions for you and your officials, and we will certainly be most happy to put them forward next time this committee deals with the estimates of spending of your department, Minister.

And I'd like to thank your officials for attending today and helping to provide the answers.

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

**Mr. Elhard:** — With leave to introduce guests.

Leave granted.

## INTRODUCTION OF GUESTS

**Mr. Elhard:** — Thank you very much, Mr. Chairman. I know we're late in the day but I wanted to take full advantage of this opportunity to introduce these guests to the House in the closing moments of today's session.

With us we have the distinguished guest, the ambassador from the embassy of the state of Eritrea based in Washington, DC (District of Columbia), Ambassador Girma, who is in our gallery this afternoon.

We have Dr. Alfred Rhea, the diplomatic representative for the Christian embassy also based in Arlington, Virginia. We have Jerry Sherman, director for the Christian embassy, based in Ottawa. We have Jim Ginther, from the wonderful city of Swift

Current, visiting Regina to accompany these gentlemen on a tour of Saskatchewan. And we also have Dave Smith, a local resident, a gentlemen who works with CUCORP here in Regina.

And I'd like the members of the Assembly to welcome our guests today and to make them welcome on this cool, southern Saskatchewan afternoon.

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

## COMMITTEE OF FINANCE

### General Revenue Fund Highways and Transportation Vote 16

#### Subvote (HI01)

**Hon. Mr. Wartman:** — Thank you, Chair. I would like to add, on behalf of the government, our welcome to those who are visiting us today, ambassador and . . . ambassadors three, and guests from Saskatchewan. Thank you.

First of all before I get into a couple of answers that we have for questions that were asked the other day, I just would like to say once again that recognizing the importance of economic development is one of the things that I think we do well in terms of our negotiations around the roadways. Not only in a situation like Regina where we value the development that has happened, but also as we were talking earlier about some of the rural situations where we do try to work with the industry, with the municipalities, to provide the best possible roadways, given the resources that we have to work with.

Mr. Chair, there were a number of questions that were asked the other day. The member from Rosthern asked questions regarding accident statistics at various locations along Highway No. 11 — Highway 11 and Highway 312, 11 and 6th Street at Rosthern, 11 and 4th Street at Rosthern, the Hague entrance, and two access points into Osler.

Statistics were obtained using the traffic accident information system — TAIS — database managed by the Saskatchewan Government Insurance. And I would like to provide those answers for the member from Rosthern.

And questions were asked by the member from Last Mountain-Touchwood regarding the Grain Car Corporation. And just a reminder to the member that though I wear several different hats, and one of those is as Chair of the Grain Car Corporation, and it is a bit of a hybrid, questions also may be asked about the Grain Car Corporation at Public Accounts as it is a Treasury Board Crown. So I remind you of that.

So with regard to the fleet of the Grain Car Corporation, a question was asked: how many cars does the company own today; how many did it start with? In 1981 the Government of Saskatchewan made a strategic investment in Canada's grain transportation system by purchasing 1,000 covered hopper cars for the movement of export grain grown by western producers.

Since the corporation's inception, 49 cars have been destroyed

by train derailments, leaving the corporation with 951 active cars of which 454 are on lease to CN (Canadian National) and the remaining 497 are on lease to the CP (Canadian Pacific). And we'll provide you with a written answer for that as well.

And for the member for Kelvington-Wadena, there were questions asked regarding mowing tenders. In 2003-04, a mowing tender schedule was approved on February 25 of '03. All 22 contracts were advertised March 1 to 8 and all contracts have been awarded. And we have got a copy of the tender schedule to include . . . included in the answer.

The second question that was asked was with regard to Department of Highways and Transportation involvement in lawsuits from different contractors across the province, specifically how many cases are involved in litigation at this time. The department currently has two lawsuits involving one contractor.

The department's contracts contain a formal dispute resolution process which can lead to arbitration. Very few department contracts result in legal action. Between '99 and 2000 and 2002-03, the department awarded 429 contracts to road building industry for major highway construction and repair. During this period, only two lawsuits — point 5 per cent — arose from disputes involving one contractor. So I would provide that as written material for the member from Kelvington-Wadena as well.

And with that, Mr. Chair, I would like to thank my officials as well for their work and move that we report progress.

The committee reported progress.

The Assembly adjourned at 17:02.

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