

The Assembly met at 13:30.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Ms. Draude:** — Thank you, Mr. Speaker. I'm really pleased to stand again today and present a petition on behalf of the people who are concerned about Highway No. 49.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to repair Highway No. 49 in order to address safety concerns and to facilitate economic growth in Kelvington and the surrounding area.

The people who have signed this petition are from Okla, Yorkton, Preeceville, Hazel Dell, and Kelvington.

Thank you.

**Mr. Gantefoer:** — Thank you, Mr. Speaker. I rise again this afternoon on behalf of citizens of the Moose Jaw and district concerned about a lack of dialysis services. The prayer reads as follows:

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

Signatures on this petition again this afternoon, Mr. Speaker, are all from the city of Moose Jaw, and I'm proud to present on their behalf.

**Mr. Stewart:** — Thank you, Mr. Speaker. I rise to present a petition signed by citizens concerned with the dangerous, deplorable, and inexcusable condition of Highway No. 43. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to repair Highway 43 in order to address safety concerns and to facilitate economic growth in rural Saskatchewan.

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

Mr. Speaker, this petition is signed by individuals from the communities of Del Bonita, Alberta, Gravelbourg, Lafleche, and Moose Jaw.

I so present.

**The Speaker:** — I would ask the member to refrain from extending his statement by increasing the number of adjectives.

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, again today I rise to present a petition on behalf of constituents of mine who have grave concerns over the condition of Highway 47 between Estevan and Boundary dam resort. And the prayer

reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take immediate action and make necessary repairs to Highway 47 South in order to avoid serious injury and property damage.

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

And, Mr. Speaker, this is signed by constituents of mine, namely from Estevan and Lampman.

I so present. Thank you.

**Mr. Wall:** — Thank you, Mr. Speaker. I rise again on behalf of residents of my constituency who have a concern about the CT (computerized tomography) scanner plan of the government, but also a constructive solution to it that would be budget revenue neutral. And the prayer of their petition reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to reconsider its plan to allocate the used CT scanner in Swift Current and instead provide a new CT scanner for the southwest.

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

And, Mr. Speaker, all of the petitioners today are from the frontier city, Swift Current.

I so present.

**Mr. Huyghebaert:** — Thank you, Mr. Speaker. Mr. Speaker, I won't use the adjectives that my colleague from Thunder Creek used but I rise representing concerned citizens with the state of Highway 43. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to repair Highway 43 in order to address safety concerns and to facilitate economic growth in rural Saskatchewan.

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

And, Mr. Speaker, this is signed by the good citizens of Gravelbourg and Lafleche.

I so present.

**Mr. Dearborn:** — Thank you, Mr. Speaker, I rise today on behalf of citizens of west central Saskatchewan concerned with the deplorable and despicable state of cell coverage north of Coleville. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to construct a new cellular phone tower at Coleville, Saskatchewan.

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

Mr. Speaker, this is signed by the good citizens from Coleville, Kindersley, and Smiley.

I so present.

**Mr. Brkich:** — Thank you, Mr. Speaker. I have a petition here with citizens opposed to Saskatchewan crop insurance premium increases.

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 citizens from Davidson and Imperial.

I so present.

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

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

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

Signed by the good citizens of Cando and Battleford.

I so present.

**Mr. Lorenz:** — Thank you, Mr. Speaker. Mr. Speaker, presenting a petition on the condition of Highway 14. The petition reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to recognize the deplorable condition of Highway 14 from Biggar to Wilkie and to take the necessary steps to reconstruct and repair the highway in order to address safety concerns and to facilitate economic growth in rural Saskatchewan.

And as duty bound, your petitioners will ever pray.

The petition is signed by the good people of Wilkie and surrounding area.

I so present.

#### READING AND RECEIVING PETITIONS

**Deputy Clerk:** — According to order the following petitions have been reviewed and are hereby read and received:

A petition concerning the allocation of a CT scanner in the southwest part of the province; and

Addendums to previously tabled petitions being sessional paper nos. 12, 18, 36, 41, 114, 116, 119, and 120.

#### PRESENTING REPORTS BY STANDING, SELECT, AND SPECIAL COMMITTEES

##### Special Committee on Regulations

**Mr. Toth:** — Mr. Speaker, I am pleased to stand today to table the final report of the Special Committee on Regulations.

Mr. Speaker, outside of the federal parliament, the province of Saskatchewan is the only provincial jurisdiction that has had an active Regulations Committee. The purpose of the Special Committee on Regulations is to review regulations, determining whether or not they comply with the intent of the parent piece of legislation in order to ensure that Saskatchewan residents are treated fairly as regulations are implemented.

Mr. Speaker, over the years the committee has been very ably assisted by the Legislative Law Clerk and his staff, as well as staff from the Clerk's office. Your committee would like to extend our thanks to Mr. Ken Ring, the Legislative Law Clerk, and his staff who have been very diligent in reviewing regulations and bringing to the committee's attention areas in regulations where extra scrutiny needed to be applied.

Our thanks as well to Ms. Margaret Woods, the Clerk's office, and *Hansard* staff for their assistance in helping our committee to run smoothly in dealing with issues in carrying out our duties.

Mr. Speaker, I therefore move, seconded by the member from Regina Dewdney:

That the final report of the Special Committee on Regulations be now concurred in.

Motion agreed to.

#### NOTICES OF MOTIONS AND QUESTIONS

**Mr. Weekes:** — Thank you, Mr. Speaker. I give notice that I shall on day no. 56 ask the government the following question:

To the Environment minister: what is the total assessment of non-agriculture Crown land that is south of the north administrative district; further to that, what is the average quarter section assessment of this same land?

Thank you.

#### INTRODUCTION OF GUESTS

**Mr. Heppner:** — Thank you, Mr. Speaker. I'd like to take this opportunity to introduce to you and through you to other members of this legislature, 36 grade 6 students from Dalmeny. And they're seated in the east gallery as well as behind the bar over there.

They are here today to see what's happening in the legislature. Their teachers that are with them are Ms. Roxanne Bitner and Mrs. Darlene Thiessen, also three other chaperones.

This school, by the way, Mr. Speaker, has the unique situation that they know a lot of people in this building. I think they have former principals, former citizens, and all sorts of other people in this building that they know.

And if they don't have any questions at this time, I'm sure they'll have some questions in about 20 to 30 minutes from now.

So I would ask all members to join me in welcoming the students from Dalmeny, Saskatchewan.

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

**Hon. Mr. Wartman:** — Thank you, Mr. Speaker. Mr. Speaker, I would like to introduce to you and to the members of this House, a woman sitting in the gallery opposite here, with one of my staff, Michelle Kobayashi. In this gallery on the west is Ms. Caroline Lowe from Lowe's Tea Room and the Sherwood museum. Ms. Lowe has been running a very successful business west of the city and south of the Trans-Canada and hopefully this very successful business will have an opportunity to even be better in the near future as it may be the home of the Diefenbaker homestead.

So I'd like all members here to welcome Ms. Lowe to the gallery. And we hope that she enjoys the session and join me in welcoming her please, folks.

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

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, to you and through you to all members of this Hon. Assembly, I'd like to introduce 26 grade 4 students from Hillside School in Estevan. And they are accompanied by their teacher, Shelley Barlow, and four chaperones and they're seated in the east gallery.

Mr. Speaker, I met with the students briefly just before proceedings and one of the questions that they had was concerning the condition of the highways. And although we never had time for drinks, I will be sending their juice boxes with them. And I hope that is an acceptable substitute for the young man that questioned me about milkshakes.

So I ask all members of this Assembly to join me in welcoming them here today. Thank you.

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

**Hon. Ms. Higgins:** — Thank you very much, Mr. Speaker. It gives me great pleasure to introduce to you and through you to members of the House, a young man sitting in your gallery, Cory Ecarnot.

Now Cory has a very keen interest in politics and I hear he even tapes question period in the proceedings and watches them when he gets home at work . . . or from work in the evenings. So I hope he enjoys the proceedings this afternoon and I would

like all members to please welcome him to the House.

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

**The Speaker:** — Members of the Assembly, it's my pleasure to introduce to you another young man who is seated in the Speaker's gallery. He is a long-time parliamentary officer, not from Saskatchewan, but from our neighbouring province of Manitoba. His name is Mr. Binx Remnant. Binx served as Clerk of the Manitoba legislature for 17 years and prior to that served as Clerk of the Northwest Territories Legislative Assembly for 16 years.

In his retirement, Binx has been involved in consulting projects with the parliaments of South Africa and Kenya and remains a respected source of parliamentary advice for his Canadian colleagues. I look forward to meeting with him this afternoon.

A welcome for Mr. Binx Remnant.

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

## STATEMENTS BY MEMBERS

### Saskatchewan Oil and Gas Show

**Hon. Ms. Higgins:** — Thank you, Mr. Speaker. Yesterday I, the Minister of Industry and Resources, and the Minister of Intergovernmental Affairs had the privilege of attending the 10th biennial Saskatchewan Oil and Gas Show in Weyburn. This is the second largest show of its kind in Canada, befitting the fact that Weyburn is a major centre of this Canadian industry.

We enjoyed speaking with a number of the 282 exhibitors, who expressed what an excellent event this was due to the facilities, the volunteer organizers, and the quality of the exhibits.

Mr. Speaker, during dinner and the awards banquet, Clayton Woitas, president and CEO (chief executive officer) of Profico Energy Management Ltd., was awarded the Oilman of the Year Award. In his acceptance speech he called himself a Saskatchewan wannabe. He stated to the crowd of 700 that there was a Saskatchewan advantage due to our competitive royalty structure, a fair regulatory system, and our communities who are working with the oil and gas industry. In other words, our future is wide open.

Mr. Speaker, this government is working with the oil and gas industry to build a strong, economic foundation for our province, and in the process, making Saskatchewan a world-class venue of excellence.

Congratulations to Weyburn for organizing this showcase event, and congratulations to the expanding Saskatchewan oil and gas industry.

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

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, last night the Leader of the Opposition, who is also the next premier of Saskatchewan, along with eight Saskatchewan Party MLAs (Member of the Legislative Assembly) attended the awards

banquet at the Saskatchewan Oil and Gas Show held in Weyburn.

After a delicious pit roast beef supper, which was prepared and served by the Weyburn Young Fellows Club, the presentation took place.

Inducted into the Saskatchewan Oil Patch Hall of Fame were: Frank Proto, Chair of Petroleum and Technology Research Centre, Regina, and he was the senior vice-president of AEC Pipelines; Ken Lee of Midale Petroleums Ltd.; Jerry Mainil of Caprice Resources; and Naisie Schnell of Franklin Pipe and Supply. The Saskatchewan Oilman of the Year was Clayton Woitas, president and CEO of Profico Energy Management Ltd. And the Southeast Saskatchewan Oilman of the Year was Les Avery of ARC Resources.

I ask all members to join me in congratulating these oilmen and to thank everyone involved in the oil industry for their contributions to our province. Thank you.

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

### Luther Academy Building

**Hon. Mr. Osika:** — Thank you, Mr. Speaker. I rise today to respectfully enlighten this Assembly concerning an educational legacy in Melville. Today the Luther Academy will be celebrating its 90th anniversary in Melville. At the same time, the Melville Heritage Museum will be celebrating its 20th anniversary of occupying the Luther Academy Building.

(13:45)

Mr. Speaker, it all began way back in 1913 when construction commenced on Luther Academy, the very first school for Lutheran students in Saskatchewan. Built at a cost of \$22,000, the academy was the grandest building of its kind in the district.

The academy opened to 32 students from the three Prairie provinces in 1914. Attendance quickly grew from year to year, until in 1926 it became necessary to move staff and all to the new, larger, modern quarters at Luther College in Regina — a very well-respected school which we know is still thriving today.

Mr. Speaker, in 1927 the academy was converted to one of the first nursing homes in the province and was known as St. Paul's Old Folks Home. In 1975 the home was moved to its new facilities, built right next door, and talk ran wild about demolition of the old building. However, Mr. Speaker, public opinion did not agree with this rumour and in 1981 the academy building was declared a heritage site. And after major restoration in 1983 the Melville Heritage Museum opened its doors to the public.

I encourage all members to come celebrate with us in Melville.

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

### Swift Current Petitions for New Scanner

**Mr. Wall:** — Thank you, Mr. Speaker. In the provincial budget

the government announced that Swift Current would soon become home to a permanent CT scanner. And while we're grateful for the announcement, concerns have been expressed that our health region is slated to receive the portable unit currently shared with Moose Jaw, while two other communities in Saskatchewan will receive the new CT machines in the budget.

I've been informed that the demand for the CT scanner in the Southwest exceeds the capacity and the capability of this used unit, which is also prone to malfunctioning and requires frequent maintenance. But to the credit of local health care professionals, they've come up with a budget-neutral, constructive solution that wouldn't add any cost to the budget.

The portable unit has provided excellent training for our local diagnostic health care staff. Also, the size of our region and the level of our CT expertise make a strong case for a newer, more reliable unit. It's also been suggested that the portable CT unit could possibly be used to train health care professionals in other regions that presently don't have CT technology but that are scheduled to receive a permanent unit.

A petition to this effect, Mr. Speaker, is currently being circulated around Swift Current and people have been responding to this common sense request from the grassroots and from health care professionals, a request of this government. And, Mr. Speaker, we would ask the government give it every respectful consideration. Thank you, Mr. Speaker.

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

### Vehicle Idling Campaign

**Ms. Hamilton:** — Thank you, Mr. Speaker. Yesterday was Clean Air Day and I'm pleased to say that as part of the day's celebrations, the Minister of Environment announced a new clean air initiative at a wonderful school in my constituency of Regina Wascana Plains, W.S. Hawryluk School. The member for Saskatoon Greystone was also in attendance.

Mr. Speaker, the initiative is the anti-idling campaign. It is a co-operative effort between Saskatchewan Environment and Climate Change Saskatchewan. It is designed to educate people about the environmental problems associated with idling vehicles in terms of air quality and the climate change, and to encourage them to stop the practice.

Mr. Speaker, W.S. Hawryluk School was chosen as the site of the announcement because the school has an active environment club and is particularly interested in the issue. In fact they have a sign outside the school for some time now that's asking drivers not to idle their engines because the negative effect on air quality in the school.

Mr. Speaker, I want to thank the students and teachers of W.S. Hawryluk School, in particular Mrs. Tomy, the principal, and Mrs. Agopsowicz, the adviser to the environmental club, for hosting the launch and I want to commend them for all their efforts on behalf of creating a healthy and sustainable environment.

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

**YWCA Gala Evening of Cinema**

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, last evening I was pleased to represent the Leader of the Official Opposition and the Saskatchewan Party at the gala evening of cinema for the YWCA (Young Women's Christian Association), a benefit for women in need and their families, at the opening ceremonies of Galaxy Cinema in the Normanview Shopping Centre right here in Regina. Galaxy Entertainment, Harvard Developments, and the YWCA of Regina hosted the evening's entertainment.

Mr. Speaker, the new Galaxy movie theatre features giant screens, 10 stadium auditorias, Dolby digital surround sound, and the ultimate in seating comfort.

Mr. Speaker, more than a century ago, the YWCA of Regina opened its doors and its hearts to women and children in Regina. The YWCA is to be commended for providing quality programs, services, and advocacy to meet the varied and changing needs of women and their families.

Their programs include the Isabel Johnson Shelter, children who witness violence program, Big Sisters program, child care services, and support of residential housing for women who face challenging life issues.

I wish to express my gratitude to Freida Link, Chair of the Regina YWCA capital campaign, and to Ken Prue, director of marketing for the Galaxy Cinema, for their gracious invitation to join in the celebration of the grand opening of the Galaxy Cinema and the fundraiser for the YWCA of Regina.

Thank you, Mr. Speaker.

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

**Regina's 36th Annual Mosaic Festival**

**Mr. Harper:** — Mr. Speaker, where can you travel 75,000 kilometres, travel over 4 continents, 7 oceans, 30 countries, and 40 borders in just 3 days? Oh yes, and did I mention eat a lot of great food? Well it's right here in Regina, that's where.

This year marks the 36th annual Mosaic festival. With 17 pavilions, Saskatchewan's oldest multicultural festival expects to attract over 15,000 visitors.

Mosaic is listed as one of the top 100 festivals in North America, and with good reason. Visitors can taste the wonderful cuisine that is served at every pavilion. Everyone has a different reason why they go to Mosaic. Each of the pavilions offers something new and exciting.

Finally, Mr. Speaker, this is Saskatchewan. And that means Mosaic is planned, operated, staffed, and presented by a huge number of volunteers — volunteers who very much deserve our admiration and our thanks.

Thank you.

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

**ORAL QUESTIONS****Professional Legislation for Paramedics**

**Mr. Gantfoer:** — Mr. Speaker, last year the NDP (New Democratic Party) government introduced and gave second reading to the paramedic Act. The Act was promoted in a government press release last spring as legislation that would, quote, "... improve the quality of emergency medical services for people of Saskatchewan." Yet the NDP let this Bill die on the order paper.

Mr. Speaker, at the time the minister said there were issues concerning this legislation raised by the fire chiefs and that sorting out those issues would take a few months. But here we are one year later and the paramedic Act has not been reintroduced by this government.

Mr. Speaker, why was this legislation not reintroduced by the minister this session?

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

**Hon. Mr. Nilson:** — Mr. Speaker, we've been working with the paramedics group as well as many people who are within the firefighters group around a number of issues that relate to their two types of occupations, and we have Saskatchewan Health officials working with them. It appears that there are many of the issues resolved. These things are still being worked out and being finalized and until such time as I can be assured that this will proceed with the support of all of the people involved, then we won't be introducing it into the legislature.

But I want to make the point that we value these workers who are the emergency medical people in our province and we want to make sure that we get this right so that it works for them.

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

**Mr. Gantfoer:** — Thank you. Mr. Speaker, Mr. Speaker, in a letter dated June 2 and addressed to all Saskatchewan MLAs, the Saskatchewan Paramedic Association states that they have had countless meetings with Saskatchewan Health and the Saskatchewan Association of Fire Chiefs. They have been lobbying for this legislation since 1997 and they are clearly frustrated that legislation is not before this Assembly.

In a letter addressed to Saskatchewan MLAs, the SPA (Saskatchewan Paramedic Association) says that the Minister of Health wrote them last July after the end of the session and after the NDP let their Bill die on the order paper. In his letter the minister said, and I quote:

Please be assured that we remain committed to pursuing passage of this legislation.

Mr. Speaker, surely this government has had time to work out any amendments that were required to meet the concerns of the industry over the past year. So why is the minister not taking a leadership role and committing to reintroduce this legislation in this session?

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

**Hon. Mr. Nilson:** — Mr. Speaker, one of the things we do on this side of the House is we listen to all the people involved in any particular issue. And this is a challenge relating to the firefighters and the emergency medical personnel. It doesn't just relate to our province but is an issue right across North America.

We want to come up with a solution that works here in Saskatchewan that doesn't create problems for the paramedics or for the firefighters. We're close to getting some solutions around that, but until such time as we have a 100 per cent assurance, I don't want to bring something into this legislature and not be able to proceed with it.

Our goal is to make sure that we have a strong support for the paramedics in the province but also that we recognize many of the concerns of the firefighters. We're going to do that in a very considered way, a very New Democratic way. We don't push things through like some of those members opposite.

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

**Mr. Gantefoer:** — Mr. Speaker, Mr. Speaker, the legislation that the SPA is promoting would create a self-regulating professional body for all emergency medical service providers in this province regardless of where their workplaces are.

Mr. Speaker, in his letter the minister said, and I quote:

The . . . (SPA) and its members have demonstrated through the process over the past few years that your organization possesses the professionalism required to assume responsibility for self-regulation.

So, Mr. Speaker, why is it that this government always has to dither and dither and wait till things become a crisis before they act? Mr. Speaker, the minister has been lobbied by the SPA since 1997; the legislation was before the House last year; why is the holdup taking so long after this is clearly in the best interests of the industry?

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

**Hon. Mr. Nilson:** — Mr. Speaker, the simple answer to the hon. member's question across the way is that on this side of the House we listen to all the people before we proceed. And I think that's very important, especially when you're dealing with professional legislation.

There are at any single time a number of different groups that are working through the various requirements of setting up professional legislation. And it's not a simple process, it's not an easy process, because you do have to work with all of the others who may have a concern about the kind of profession that you're in.

That's what we're doing with this group, and we're doing it with quite a number of other groups at this time. When we're ready, we will proceed with this legislation because we think it's important legislation — but only when we're ready.

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

### Regina Sound Stage

**Mr. Wall:** — Thank you, Mr. Speaker. Mr. Speaker, yesterday, despite the Premier's assurance that we would be getting more information about the Crown corporations and that they would be held to a higher account, we didn't get any answers of the minister responsible for these investments despite some specific questions on a myriad of risky government NDP gambles into the private sector.

Having said that, we have a question for the minister responsible for the Regina sound stage that has now . . . that has cost \$12 million to build, funded entirely by taxpayers, Mr. Speaker. How many million Saskatchewan taxpayers' dollars has the NDP government risked on this construction and operation of the Regina sound stage, including all loans, loan guarantees, grants, equity, and operating funding? And will the minister responsible share with the Assembly how much money the sound stage lost in 2002?

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

**Hon. Mr. Sonntag:** — Thank you, Mr. Speaker. In the absence of the minister, I would take notice of that question and get back to the member, Mr. Speaker.

### Galleria Real Estate Study

**Mr. Wall:** — Well thank you, Mr. Speaker. We accept the minister at his word that the answer to all of those detailed questions, Mr. Speaker — how much the taxpayers have lost and how much the government is into this thing for loans, loan guarantees, grants, equity, and operating funding — will be provided, Mr. Speaker.

Well, Mr. Speaker, there is another investment that we would like to find . . . we would like to get some information of on behalf of the taxpayers of the province of Saskatchewan. We know, Mr. Speaker, that the NDP is interested in not telling the truth or giving out the details about its own investments. But now they're also trying to hide, if you can believe it, they're trying to hide information that the federal government would like to provide in one of their deals.

Mr. Speaker, last year the federal government bought a major office tower in Regina for \$28 million. The feds say they need the Galleria high-rise to satisfy office requirements. The federal government officials want to release the real estate study, the real estate study proving that the deal was good for federal taxpayers, Mr. Speaker. But the NDP government has said that they don't want that study released.

Will the Minister Responsible for SPMC (Saskatchewan Property Management Corporation) direct his officials to release that real estate study, Mr. Speaker?

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

(14:00)

**Hon. Mr. Osika:** — Well, Mr. Speaker, quite honestly there's been a little bit of liberty taken with the facts, since at this point no decision about releasing information has been made. SPMC

has been provided a copy of the report the federal government has been asked to release, and officials are reviewing that particular document to see what information in fact related to the corporation and the federal government intends to provide.

So, Mr. Speaker, as a third party with confidential information within the report, SPMC does have the right to review this report before it is released, Mr. Speaker. We do this to ensure that SPMC's position within the real estate marketplace is not being released. And as stewards of Saskatchewan tax dollars, Mr. Speaker, we believe it's reasonable for us to protect information that might make it more costly for us to enter into lease arrangements and agreements on behalf of our client departments.

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

**Mr. Wall:** — Well, Mr. Speaker, the federal official who has been commenting in the local media and the provincial media on this issue, a fellow by the name of Bob Wright, highlighted a little bit of the concerns that the provincial government has for some reason about the release of this real estate study. He says:

They (that would be SPMC) are co-mingled in the document. (And) the document has our investment strategy in it (that would be the feds) and SPMC investment strategy (in it).

So here's the question for the minister of SPMC. The question was simple. Will he direct officials to release this information? What could possibly be in the real estate study that the NDP government doesn't want the people of the province to know?

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

**Hon. Mr. Osika:** — Well, Mr. Speaker, that's another danger underlined if those people ever get into government because they don't care about third party confidentiality and respect. To release information that might damage our future relationships with lease arrangements and the real estate people in this province would not benefit either this government or taxpayers' dollars.

Mr. Speaker, those types of questions that are being asked are totally irresponsible and the opportunity to ask those questions have been in this House, in Committee of the Whole. Those questions that are being asked now about reports that contain third party information that could be damaging to our future relationships are irresponsible, Mr. Speaker.

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

**Mr. Wall:** — Well, Mr. Speaker, Mr. Speaker, let's at least get a basic commitment, if we can, from the minister of SPMC today that if it is at all possible, if his review of this matter with other third parties proves to clear the way for the release of this document, that he will direct his officials to do that, Mr. Speaker. Let's at least get that basic commitment.

The federal government presumably would have the same concerns about third parties. The federal government, the federal Liberal government, has said, we'd like to release this study. The only holdup is the provincial NDP. Surprise,

surprise.

Will the minister give us the basic commitment that barring any problems with these third parties he references, this real estate study will be tabled in this legislature and reported to the taxpayers of the province?

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

**Hon. Mr. Osika:** — Mr. Speaker, again it's extremely evident . . . And I hope the member continues, continues that line of questioning because it clarifies and verifies the fact they have no respect for any third party, any third parties involved in any arrangements, business arrangements — obviously because they have no idea how business operates. And that's very frightening, Mr. Speaker.

We have the right to review the report and after the review has been done, there will be, as we always have, released whatever information we can release without damaging our relationships in the business community.

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

### Sex Offender Registry

**Ms. Julé:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Justice.

This week the House of Commons Justice Committee heard from many witnesses who raised some grave concerns about the proposed federal sex offender registry. And one of those concerns, Mr. Speaker, was that as the legislation stands now the registry will be nothing more than a telephone directory.

Private citizens, social service providers, the John Howard Society, lobby groups both for and against the registry, and the Canadian Police Association all agreed the system as it is proposed now is critically flawed. The federal government is still defending that legislation, Mr. Speaker, as it is right now and says it was developed in consultation with provincial attorneys general.

Mr. Speaker, will Saskatchewan's Attorney General take action to push amendments to the federal legislation so that it will serve as a significant crime fighting tool to protect people from sexual predators?

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

**Hon. Mr. Cline:** — Yes. In answer to the question, Mr. Speaker, as I have stated previously, publicly, yes we will. We will seek those improvements to this legislation. But what we will not do in the meantime is to hold up the idea of a federal registry for sex offenders.

We believe that a national sex offender registry is the way to go. We also believe it can be improved. Some of the criticisms have been raised by the member and also by us and we will work toward those improvements.

And I want to advise the House as well, Mr. Speaker, that we are doing several other things to combat sexual abuse and

criminal sexual abuse, including paying careful attention to conditions of release, having strict conditions of release, employing peace bonds, a national flagging system, and also applying, where appropriate, to have persons declared dangerous sexual offenders.

We're very proactive on this issue. We'll continue to be so. And we will work to improve the legislation before the House in the manner the member has described.

**Ms. Julé:** — Mr. Speaker, Mr. Speaker, by this province taking some action of its own to set up a database or a Web site listing sex offenders' names and photographs would not be any deterrent to the ongoing work of the national sex offender registry.

Mr. Speaker, just this week, right here in Regina, a news report indicated that there was a sexual assault on a young girl. Mr. Speaker, other provinces have taken matters into their own hands and they have taken steps to protect their citizens either with actual registries or with Web sites and public awareness tools. In fact even the federal government has made an amendment to their legislation in order to incorporate Ontario's database of sex offenders into the national model.

If we had a database like that here in Saskatchewan, it too would be incorporated into the national model. But, Mr. Speaker, as usual NDP Saskatchewan has done nothing. And now they're sitting back again while the federal government completely fouls up the national project.

Mr. Speaker, why is the NDP government compromising the safety of Saskatchewan people and particularly our children? Why is the NDP not taking action?

**Hon. Mr. Cline:** — Thank you, Mr. Speaker. Well I want to say, Mr. Speaker, when any member of the human family is harmed in this way it is harm to all of us in the human family, Mr. Speaker. And this issue is an issue that concerns all of us . . .

**The Speaker:** — Order, please. Order. I would ask members to refrain from hollering across the floor. Thank you. Thank you.

**Hon. Mr. Cline:** — Thank you, Mr. Speaker. I want to say that sexual abuse of any kind, and in particular child sex abuse, is a scourge on humanity and we are all opposed to it, Mr. Speaker.

I want to say also it is a very difficult issue that we're taking active steps to combat. It is an issue, Mr. Speaker, that I hope transcends partisan politics in the legislature here.

But I do want to say that, as I've said to the member before and as I've stated publicly, Mr. Speaker, we do have and have had since 1996 a Public Disclosure Act, Mr. Speaker, whereby the police authorities have the authority to advise the community in particular circumstances of the presence of a sexual predator.

And, Mr. Speaker, we believe that the best way to handle this is through the police authorities, to let them decide in an appropriate way, as prescribed by legislation, when such notification should go out to the community. We do not agree that anyone should be able to post this information on a Web

site at any time.

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

**Ms. Julé:** — Mr. Speaker, Mr. Speaker, some of the flaws of the proposed sex offender registry I'd like to point out in the Assembly today.

That it is not retroactive and only people who commit a sex offence after the Bill is passed would be included. Number two, there is not enough specific information about offenders such as photographs to help police locate an offender they may be interested in tracking. Number three, it won't use the latest technology available to police forces. Number four, the penalties for offenders who don't register are lax. Number five, there is no specific list of what type of offences would require registration.

One police officer with the sex crime and child abuse unit in Winnipeg called the proposed legislation empty, meaningless, and a gross misrepresentation. Mr. Speaker, clearly the federal government and the provincial attorneys general have not put enough teeth into it.

What are the amendments that the minister in this province of Saskatchewan is going . . . What are the amendments that you intend to put forward, Mr. Minister?

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

**Hon. Mr. Cline:** — Well first of all, Mr. Speaker, I want to say that in the member's last question she has pointed out that she does not take issue simply with what the province of Saskatchewan is doing, as she indicated in a previous question. She now takes issue with what all of the attorneys general from all of the provinces and all of the political parties are doing. And I respect the member's right to take issue with that.

But I want to say in that respect that it is inaccurate to say, as the member said a few questions ago, that this province, unlike other provinces, is not doing something which she assumes we should be doing. She now says the whole country isn't doing what she thinks we should be doing.

But I want to say to the member that it has been the position of the Government of Saskatchewan, and we brought forward a resolution to Justice ministers across Canada almost three years ago, Mr. Speaker, that there be a national sex registry.

And I think that most reasonable people would understand that we live in a society where people are very mobile. Sex offenders can be very mobile; they can move from city to city, province to province. This matter must be addressed on the national stage. I've already indicated to the member we will seek the amendments that she is talking about, Mr. Speaker.

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

### Ethanol Industry

**Mr. Hillson:** — Thank you, Mr. Speaker. Mr. Speaker, as we learned at the time of SPUDCO (Saskatchewan Potato Utility Development), partnership is an NDP mining term meaning



someone else gets the gold and the taxpayers get the shaft.

My question for the Premier: where is our partnership with Broe now at? When he announced in Belle Plaine last October that an ethanol plant was going to be built in the month of May, to what year was he referring?

**Hon. Mr. Sonntag:** — Thank you, Mr. Speaker. Well I've answered that question a number of times in this Assembly and also in the public forum, Mr. Speaker. I've said that we would not go ahead with the deal, Mr. Speaker, until we have the best possible deal available for the taxpayers and the people of Saskatchewan, Mr. Speaker.

Having said that, Mr. Speaker, we continue — we continue — to work with the financing companies, Mr. Speaker, to try and ensure that we can still begin construction this year if at all possible, Mr. Speaker.

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

#### Automated Land Titles System

**Mr. Hillson:** — Mr. Speaker, it was recently announced by the province of Nova Scotia that they had carefully examined our new automated land titles system and that they would not be purchasing it.

My question for the minister: if, if he has produced the most technologically advanced product in this province since GigaText, why then is it over 500 per cent over budget? Why is it still not working properly? And why will no one buy it?

**Hon. Mr. Cline:** — Well first of all, Mr. Speaker, I want to say to the public that there are several inaccuracies contained in the statement that that member just made. I want to say to that member that there are law firms — and the member should know this — who are putting applications for a transfer in and getting the transfers through in less than a day, Mr. Speaker. And since the beginning of this year, the average transaction is going through in three days, Mr. Speaker.

(14:15)

I find it curious . . . You know, Mr. Speaker, this member and the opposition complains that we're not selling our technology to Nova Scotia.

Yesterday, another member is complaining that we're selling SaskEnergy technology to New Brunswick or Nova Scotia, one or the other, Nova Scotia. So it really doesn't matter what this government does, Mr. Speaker, the opposition will complain about it.

But I want to say to that member from North Battleford that he should join with us, come into the 21st century where information technology, information technology does work, Mr. Speaker.

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

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

#### Ambulance Service in Saskatchewan

**Mr. Hillson:** — Mr. Speaker, I want to thank the Minister of Justice for his kind offer but been there, done that.

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

**Mr. Hillson:** — Mr. Speaker, according to a two-year-old government study, one-third of our ambulance fleet, at that time, was not roadworthy. Increasingly, patients cannot be transported to the nearest hospital — which of course now is much, much further since this government took office — because we don't have proper ambulances.

Well a year and a half ago, the province promised to adopt standard ambulance fees throughout the province so we would not discriminate against rural patients whose hospitals have been closed. When is the government going to keep its promise to upgrade the province's ambulance fleet and to standardize ambulance rates throughout the province?

I asked this question last week. The minister said, well it had something to do with Paul Martin in 1995. Well I'm asking the NDP in 2003, when are they going to keep their word?

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

**Hon. Mr. Nilson:** — Mr. Speaker, this has been a very interesting day. We know that when you only have one member, it's hard to cover a number of issues. So today we have the Trinity — three-in-one Liberal. And so I appreciate getting a chance to answer this question. And I think it's the Holy Ghost part of the Trinity that I'm answering.

And so what I want to say to the member is that this whole issue around emergency medical services across the province is a challenge for all of us. It's part of our action plan; we're working on various parts of it.

One of the areas that we've been working this year is training many more emergency medical technicians; we'll continue to do that. We work with the regional health authorities to have them upgrade their fleets of ambulances on a sustained basis.

But we also listen very carefully to many communities who have their existing ambulance in their community and they wanted to have more time around some of those issues because many times they were an important asset in their community.

So we're working hard to make sure we have a good health system in . . .

**The Speaker:** — Order, order.

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

**The Speaker:** — Why is the member for Saskatoon Mount Royal on his feet?

**Hon. Mr. Cline:** — With leave to introduce guests, Mr. Speaker.

Leave granted.

## INTRODUCTION OF GUESTS

**Hon. Mr. Cline:** — Thank you, Mr. Speaker, and also to my colleagues. I want to introduce to you and through you to all members of the Legislative Assembly, two guests in your gallery. And in particular Diane Francis, who's a noted national columnist with the *National Post*, and a very well-known, very respected commentator. And also she is accompanied by Harvey Linnen, who runs Linnen and associates here in Regina.

And I was very pleased to attend a luncheon sponsored by the Institute of Chartered Accountants at the Centre of the Arts over the noon hour, and Ms. Francis was the keynote speaker. And also the Leader of the Opposition and the Finance critic from the opposition were there also.

And I was sitting at the same table as Ms. Francis and I must say, we had a really delightful conversation. I'm not sure that I succeeded in convincing her that the editorial policy of the *National Post* should be somewhat revised, but nevertheless we did have a very enjoyable visit, and after which she gave an extremely thought-provoking address and answered questions.

And I'd like all members of the Legislative Assembly to welcome Ms. Francis and Mr. Linnen here today. Thank you very much.

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

**Mr. Hermanson:** — With leave also to introduce guests.

Leave granted.

**Mr. Hermanson:** — Thank you, Mr. Speaker. And I too would like to join with the Minister of Justice in welcoming well-known national columnist Diane Francis to Saskatchewan and to Regina and to our Assembly, as well as Harvey Linnen of Linnen and associates. As well as enjoying the comments that Ms. Francis made, I actually jotted down a couple of notes and one of her comments I thought might actually apply to the upcoming election in Saskatchewan when she said: the big doesn't eat the small any more, fast eats the slow.

Mr. Speaker, I have a comment, I have a comment also when I introduce the second guest, but I also want to suggest that Ms. Francis made some excellent comments on the role of Crown corporations and certainly we appreciated those comments as well.

With Ms. Francis is Harvey Linnen, and amongst his many companies he has a company called Sigma Analytics. And the reason I made the comment about the fast eating the slow is, in a recent poll done by Sigma Analytics, it showed the Saskatchewan Party was ahead of the NDP in a recent poll and gaining ground with a lead of about six or seven points.

So, Mr. Speaker, we're very glad to have these guests with us, and please welcome them to our Assembly.

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

**The Speaker:** — Why is the member from Swift Current on his feet?

**Mr. Wall:** — To introduce guests.

Leave granted.

**Mr. Wall:** — Mr. Speaker. I'd ask through you to my colleagues in the legislature, for their attention and for their willingness to join me in welcoming a visitor in the east gallery.

In your gallery, Mr. Speaker, is one of the principals in one of the excellent schools in Swift Current. Bryan Braun is a principal at Ashley Park School. And also Bryan and I graduated from the Swift Current Comprehensive High School in the 19... (inaudible)... or so.

And so I just ask all members to join with me in welcoming Bryan to the Legislative Assembly today.

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

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

**Mr. Hillson:** — Leave to introduce guests.

Leave granted.

**Mr. Hillson:** — Thank you, Mr. Speaker. As someone who over the years has very much enjoyed reading the columns of Diane Francis, on behalf of the entire Liberal caucus I too want to join in welcoming Ms. Francis to the Assembly this afternoon and to the province, and to thank her that her newspaper of course reported earlier this week — speaking of election results — that my party in Manitoba doubled its representation.

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

## MINISTERIAL STATEMENTS

### University of Saskatchewan College of Medicine Renewal Plan

**Hon. Ms. Junor:** — Thank you, Mr. Speaker. I'm pleased to rise today to inform you and all hon. members of the renewal plan for the College of Medicine at the University of Saskatchewan which was announced this morning by the Minister of Health, the Minister of Finance, and myself to a very delighted crowd of health sciences academic students and other interested people in the health field.

This plan responds to the challenge presented last November by the Committee on Accreditation of Canadian Medical Schools, and we are confident that this plan will ensure the ongoing accreditation of the college. Moreover, Mr. Speaker, this plan builds for the future of health education.

Mr. Speaker, the plan was developed and approved through a very successful partnership between our government...

**The Speaker:** — Order, please. Order please, members. I would ask members to tone it down, particularly the comments — order, please — particularly the comments that are thrown across the floor.

**Hon. Ms. Junor:** — Thank you, Mr. Speaker. The plan was developed and approved through a very successful partnership between our government, the university, and the Academic Health Sciences Network.

The goal of the plan is to see the probationary order lifted and full accreditation sustained. The college has already made significant steps in this direction through their work on student experience and curriculum.

The plan unveiled today positions the college to take the final steps in addressing the accreditation requirements of the college. It will mean library improvements to support the changing curriculum of the college. And it will mean the university, college, and Academic Health Sciences Network can move forward in addressing faculty requirements.

The plan is supported in this fiscal year by \$1.5 million from the departments of Health and Learning. In total we anticipate the annual incremental cost to government will be about 13 million after full implementation. It is an investment we are proud to make, Mr. Speaker, as it is an investment, not only in higher education, but in the future of health care. By enhancing physician-training programs, we are confident that Saskatchewan will continue to attract and retain health care professionals.

This is the 50th anniversary of our medical college and I can think of no better way to celebrate this milestone than by opening the door to the college's bright future.

I want to credit the university community and the health sciences network for their hard work and their partnership. Saskatchewan works best when we work together and today's announcement is no exception. Together we are safeguarding our health education system and ensuring a wide open future for all our province's aspiring physicians. Thank you.

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

**Mr. Gantefoer:** — Thank you, Mr. Speaker. Mr. Speaker, the official opposition could have written this ministerial statement for the government six months ago when we realized the problem of the College of Medicine.

Mr. Speaker, of course this is an important announcement today, and of course it was absolutely essential that this commitment come to the College of Medicine at the University of Saskatchewan.

Mr. Speaker, this is not new news, and it's another example of how this government seems incapable of doing the right thing until either people in the industry, people in the profession, or the official opposition finally embarrasses them into doing the right thing.

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

**Mr. Gantefoer:** — Mr. Speaker, this item should be included in the budget that was delivered this spring in the legislature because the information that was required to make the commitment was before the Department of Learning and before the department of medicine prior to the budget being tabled in

this House.

Mr. Speaker, the Minister of Finance should have been aware of this information. It's important news; it's a step on the right direction; but it's another example of how difficult it is to get this government to do the simple things that are simply the right things to do.

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

## ORDERS OF THE DAY

### WRITTEN QUESTIONS

**Mr. Yates:** — Thank you, Mr. Speaker. I am extremely pleased today to stand on behalf of the government and table responses to written questions nos. 671 through 700 inclusive.

**The Speaker:** — Responses to questions 671 through to question no. 700 inclusive have been tabled.

(14:30)

## GOVERNMENT ORDERS

### COMMITTEE OF THE WHOLE

#### Bill No. 15 — The Saskatchewan Insurance Amendment Act, 2003

#### Clause 1

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

**Hon. Mr. Cline:** — Thank you, Mr. Deputy Speaker. With me today to my left is Ms. Karen Pflanzner who is the Crown counsel with legislative services of the Department of Justice. And seated behind me is Mr. Jim Hall who is the Superintendent of Insurance at the Saskatchewan Financial Services Commission. And behind Ms. Pflanzner is Ms. Jana Odling who is a legal analyst at the Saskatchewan Financial Services Commission.

**Ms. Julé:** — Thank you, Mr. Chairman, and good afternoon to the minister and to his officials. Mr. Minister, I have a number of questions in regards to this Bill, The Saskatchewan Insurance Amendment Act.

Could you please outline all the groups and all the individuals that you have consulted with in the drafting of the legislation that is before us today?

**Hon. Mr. Cline:** — Yes. I should tell the member, this is a very, very long list and I'll go over some of it but perhaps undertake to send over a copy. We have consulted with all insurance companies licensed in Saskatchewan, of which there are 247 — the Insurance Bureau of Canada, the Canadian Life and Health Insurance Association Inc., CompCorp, the Property and Casualty Insurance Compensation Corporation, the Saskatchewan Insurance Managers Association, the Insurance Brokers Association, the Insurance Councils of Saskatchewan, the Canadian Association of Direct Response Insurers, the

Canadian Association of Financial Institutions in Insurance.

And I've got about a third of the way through, and I'd be happy to continue or to send it over. I'll continue because the member seems interested and I'm happy to do so — the Saskatchewan Government Insurance, the Canadian Bar Association, the Canadian Institute of Actuaries, Saskatchewan Municipal Hail Insurance Association, the Canadian Association of Insurance and Financial Advisors now called Advocis, the Canadian Association of Mutual Insurance Companies, the Canadian Insurance Self-Regulatory Organization, the Farm Mutual Reinsurance Plan Inc., the federal Department of Finance, the Canadian Fraternal Association, the Independent Financial Brokers of Canada, Willis Canada, L. E. Yingst Company Ltd., Jardine Lloyd Thompson Canada Inc., Aon Reed Stenhouse Inc., Marsh Canada Limited, Blue Insurance Ltd., North Central Insurance Brokers, Cameco Corporation, Robin Hood Employees' Mutual Insurance Association, and all members of the Canadian Council of Insurance Regulators.

So it appears that there has been very, very widespread consultation with respect to this legislation.

**Ms. Julé:** — Thank you, Mr. Chair. Over what period of time were these consultations held?

**Hon. Mr. Cline:** — Mr. Deputy Speaker, approximately the past year.

**Ms. Julé:** — Thank you, Mr. Minister. Mr. Chair, for the minister. Can you tell us, Mr. Minister, when the last major update of this Act took place?

**Hon. Mr. Cline:** — Yes, Mr. Deputy Speaker, the last major update of this legislation was in 1998.

**Ms. Julé:** — Thank you. Mr. Minister, can you tell me what reaction you have received from the insurance brokers, the insurance industry, in regards to placing so much of this into regulations or of the Act into regulations?

**Hon. Mr. Cline:** — Very favourable overall support. They agree with the movement to streamline and put some powers into regulations so that it will be easier to have government respond when the insurance industry identifies changes that need to be made.

**Ms. Julé:** — Thank you, Mr. Chair. Mr. Minister, the insurance brokers have raised this as a point of interest with us when we asked them to take a look at the Bill. While they agree that many of the changes here are very technical in nature and serve to update the Act, they are concerned that so much is being moved to regulations where future changes will not come up in this Assembly for scrutiny and will not be subject to public debate.

Do you find the concerns raised by the insurance brokers ill-founded?

**Hon. Mr. Cline:** — My understanding is that the insurance brokers did raise some issues. No, we did not find them to be ill-founded. We said that we would do further consultation with the insurance brokers when the regulations were developed.

And as I have indicated to the member, there were many parties, dozens and in fact hundreds of organizations and companies consulted. And it is true that there may be some concerns about some parts of the Bill, not others. But that is one organization, the insurance brokers. But there are many other organizations consulted that did not have the same reservations and in the main the organizations are in the vast majority, very supportive of the changes.

Having said that, the insurance brokers raised some concerns which we'll continue to dialogue with them concerning . . . And when we develop the regulations, we'll take their concerns into account.

**Ms. Julé:** — Mr. Minister, I think that one of the reasons that exemplifies why the insurance brokers are concerned about allowing cabinet to change so much of the Act and take it out of the purview of the Legislative Assembly has been demonstrated in just the last few days because a very, very profound change was made in the insurance industry through regulations that give a credit union the right to buy and own insurance brokerages. And because it was done through regulation, there was little or no public debate on this issue.

So do you see why insurance brokers and other Saskatchewan residents might be a little concerned by moving even more authority behind closed doors to cabinet and away from the public eye?

**Hon. Mr. Cline:** — Well actually I want the member to know that the changes made with respect to giving the credit unions the right to invest in or own insurance brokers certainly were not done behind closed doors as the member just indicated.

In fact, as the member I believe knows, Mr. Deputy Speaker, the Insurance Brokers Association was sent a letter giving them at least 90 days notice that the government was considering this change. So to say that this is somehow done in secret is not accurate. And also when the member says there was no political debate, I want the member to know, as she well knows already, that there was in fact some public debate.

We heard from insurance brokers and their view; we respect their view. We also heard from credit unions their view; we respect their view. But at the end of the day a decision was taken. That's what governments do — they have to analyze situations and take decisions. And in this particular instance, because the member may be suggesting that the government did something wrong, I want to point out the government did nothing wrong and the credit unions aren't doing anything wrong either.

The simple reality is, and I will defend it, this government made a decision. The decision was to allow credit unions to invest in or own insurance brokerages. Why did we do that? Very simple, because banks are allowed to do that. And in our view — it may not be the member's view but it is our view — that it is unfair to credit unions to say what banks can do, you cannot do, because credit unions should be on a level playing field with banks.

I would point out, secondly, that there is no restriction on insurance brokerages offering a full range of financial services

outside of . . . or associated with insurance brokerages. That in fact is done. In fact, there is one insurance company, Hi-Alta, which has now been chartered as a bank, that competes directly in 14 communities with credit unions.

I would also point out that insurance brokerages are, as I said, allowed to sell a wide variety of financial services which in fact compete with credit unions, and it is not unreasonable that credit unions should also be on a level playing field with insurance brokerages.

I realize that there's some controversy here. But I want to say to the member that we live in a world where information technology and a variety of other forces have fundamentally altered the way business is done. As everyone knows from watching television, we can access financial services on the Internet. We can bank with banks that have no branches here in Saskatchewan at all.

Credit unions have to compete with that sort of thing; so do insurance brokerages to some extent. And the days when it is the job of government to tell financial institutions what they can and cannot do, Mr. Deputy Speaker, have ended. They've ended with deregulation at the federal level. They've ended in Saskatchewan.

And if it is the position of the member and the Saskatchewan Party that we should have a rule that says credit unions should not be able to purchase or invest in insurance brokerages, I invite the member to get up and state that that is her position and the position of the Saskatchewan Party and I would be very pleased to debate that issue with the member any time.

**Ms. Julé:** — Thank you, Mr. Chair. Well, Mr. Chair, once again the minister has taken the opportunity to stand in this legislature and to misconstrue and mislead . . . misconstrue what I've said and to mislead the public as to our position on this issue.

My question had nothing to do with the stand that's been taken as to whether the credit union has the right to buy and own insurance brokerages. That is not what I presented to you. What I did present to you was the concern of Saskatchewan citizens that these kind of regulations, these kind of changes are now not open to public debate, and it's a matter of allowing the public to know and understand what's happening.

Mr. Minister . . . or Mr. Chair, to the minister, I want him to know that I take issue with the way he presents these kind of things and misconstrues what I have said.

Mr. Minister, there are a number of definitions for various classes of insurance that are being removed from the legislation and being put into regulations. What purpose does this serve and how is this change beneficial to the people of Saskatchewan or to the insurance industry?

(14:45)

**Hon. Mr. Cline:** — Thank you, Mr. Deputy Speaker. Well I certainly don't mean to misconstrue the position taken by the hon. member because I've asked the hon. member what her position is and she hasn't stated it. So I can't really misconstrue

it because we don't know what her position actually is.

But I do want to say to the hon. member, Mr. Deputy Speaker, that the changes that are being made to this legislation — and this is very important to understand — are similar to changes that have taken place across Canada. They're not something that just the Government of Saskatchewan does. All across Canada we're trying to harmonize the insurance legislation.

And in summary, what we're proposing to do in this legislation is — with respect to classes of insurance — to move the definitions of classes of insurance from the Act to the regulations, as the member's pointed out, to allow the classes to be updated more easily as required. And that will help facilitate the future adoption of the classes of insurance developed by a national organization called the Canadian Council of Insurance Regulators.

And as the member may know, there are many areas where we try to harmonize laws and rules with other provinces so that business can be done on a consistent basis across the country. What this does is enable us to adopt classes of insurance developed nationally so that we can be in sync with the other provinces. That's one of the goals. And so that's why we're doing it in this manner.

And I would point out to the member that this is something done in other provinces as well; done by various political parties that are in government in the various provinces. It is not something that we in the Government of Saskatchewan alone are doing. We are with the other political parties and the other provinces.

**Ms. Julé:** — Thank you, Mr. Chair. You know, Mr. Chair, the minister seems to be, by his innuendo and so on, he seems to be taking a bit of a stand here saying that he feels as though we're opposing this Bill. The fact is, Mr. Minister, we are asking questions about the Bill on behalf of the citizens of Saskatchewan. So you don't have to defend why you're doing what you're doing, you just have to explain it. Thank you, Mr. Minister.

Mr. Minister, details regarding the guarantee fund and reserve fund requirements are also being removed from the legislation and being put into regulations. Can you tell us how these changes will benefit the insurance industry or the people of Saskatchewan?

**Hon. Mr. Cline:** — Mr. Deputy Speaker, these are detailed formulas that are in legislation now which are not as clear as they should be with respect to issues like the reserves that reciprocal insurers should have, and I'm advised that they need to change periodically.

They are detailed and that they are formulae that would more appropriately be dealt with in regulations so that we would have the ability to change them as required. And again, that that's something that they're doing elsewhere as well, and I'm certainly very happy to answer that question and explain the legislation and indeed any other questions that the hon. member may have.

**Ms. Julé:** — Thank you, Mr. Chair. Mr. Chair, an exemption is

being put into the Act pertaining to mutual benefit societies. Can the minister briefly explain this exemption and explain why this is being undertaken?

**Hon. Mr. Cline:** — Yes, a mutual benefit society is a society that provides funeral benefits not exceeding \$400 — so that somebody would have sort of a policy, but it's only up to \$400 — and sickness, accident, and disability benefits not exceeding \$12 a week.

So it's very small sums of money and very kind of small societies and very few of them actually exist. And because the amounts of money are very small, the groups are small, and it isn't a situation where people are put at a great deal of risk.

We feel that these mutual benefit societies should not have to be licensed under the Act but that if people are offering benefits that are greater than those amounts, they should have to be licensed under the Act. And I think, basically, licensing under the Act is probably just too large a burden, too onerous for a very small organization like that. And we don't believe that consumers that are members of these societies would be at great risk if they're not required to be licensed under the Act.

But having said that, if anybody wants to offer benefits that are larger than that, then certainly they have to be licensed. But the threshold is really very, very low. Anything over \$400 for funeral benefits or \$12 per week for sort of sickness insurance, you do have to be licensed. But below those amounts we don't believe that it's necessary.

**Ms. Julé:** — Thank you, Mr. Chair. Mr. Minister, we do see changes dealing with unlicensed insurance dealers. I wonder if you could tell us how many unlicensed insurance dealers we have in the province and under what conditions they are allowed to operate without a licence, and also what restrictions are placed on them?

**Hon. Mr. Cline:** — Well that's a very good question, Mr. Deputy Speaker. I actually asked the very same question myself of the officials earlier. I said, well, what is this about somebody transacting business with an unlicensed insurer? What would that mean?

Actually there, what this refers to is a situation where somebody needs a particular type of insurance but it is not available in the province of Saskatchewan and sometimes not even in Canada because nobody sells that type of insurance. So they want to go and they want to buy the insurance say from the Bahamas or London, England or somewhere which is a company that isn't licensed in the province of Saskatchewan. But since they can't get the insurance here, they need to go to an unlicensed insurer in the sense that it's a company outside Saskatchewan but they need to get that product.

And that company then has to file an affidavit and get some kind of permit in Saskatchewan. I'm told there are about 12 situations per year where this may arise.

And under the existing legislation, unlicensed insurers, these would be insurers external to us. And how many would there be? Well there could be hundreds around the world. Because as anybody where . . . I have a business, I can't get insurance there

so I go to another company somewhere — Frankfurt, South Africa, who knows?

And presently they are allowed to transact insurance in Saskatchewan where there are no licensed insurers that can provide coverage at a reasonable price or where there are no licensed insurers that can provide insurance on the terms stipulated by the consumer. In other words the consumer wants to go there because they can't get what they want here. And that is what the situation refers to.

There would be many hundreds of other companies around the world to which this might apply and that is a situation where it would arise.

But it would not be a situation where you'd have unlicensed insurers that would be selling insurance in Saskatchewan to Saskatchewan people. Those companies would have to be licensed under the Act. So, a very good question. I hope that provides some clarification of why in some odd cases — about 12 a year — a consumer in Saskatchewan would be purchasing insurance from an unlicensed insurer.

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

**Ms. Julé:** — Ah, Mr. Chair, some days this place is somewhat like a circus, I must say. Mr. Chair, I have one other question for the minister. Can you outline the other changes that are being made here that you see as increased protection for consumers?

**Hon. Mr. Cline:** — Yes, Mr. Deputy Speaker. As I was talking about unlicensed insurers a few minutes ago . . . And consumers will benefit from the disclosure requirements related to the unlicensed insurer provisions, that the brokers will have to say if they're dealing with an unlicensed insurer. They'll have to say to the consumer: you must realize that this is a product from someone who is not licensed in Saskatchewan. So we think that will be helpful. Informing consumers, they'll be in a better position to assess their insurance needs.

Otherwise this is mainly a housekeeping piece of legislation. Most of the amendments do not directly relate to consumers or market conduct issues, and for the most part they are to reduce red tape and update outdated requirements.

Given that they do not provide us . . . that it is not primarily a consumer protection Bill, but at the same time we do not believe the Bill has any adverse consumer consequences either. The focus really is on red tape reduction. And it's a balancing act between reducing the insurer's requirements and still providing a level of regulation and protection for consumers. We do not believe on balance that anything will adversely affect consumers.

And the one really consumer protection aspect is the warning that goes to consumers when they're dealing with an insurer who is unlicensed in the province of Saskatchewan.

**Ms. Julé:** — Thank you, Mr. Chair. Well, Mr. Minister, in that same vein, could you outline for me what you see in this Bill as changes that will help the insurance industry in Saskatchewan grow and flourish?

**Hon. Mr. Cline:** — Yes, Mr. Deputy Speaker, the changes would be as follows. Insurers would benefit from the amendments in that they no longer have to deposit securities with the government. There are other ways to make sure that they're financially solvent.

Federal insurers are able to make one annual filing with the federal regulator instead of having to make a separate filing with the Saskatchewan regulator. Federal and extra-provincial insurers no longer have to make extensive annual filings in Saskatchewan; they only have to report on the business transacted in Saskatchewan, not elsewhere.

And provisions relating to provincial fraternal societies have been updated. They no longer have to file their constitution, rules, or bylaws with the superintendent.

Provincial insurers are affected by the amendments in that a discretionary actuarial report is being proposed. Actuarial reports will only be required in circumstances where the superintendent considers it necessary. Considering the seasonal nature of hail insurers' operations, it would not be the superintendent's intention to require an actual . . . actuarial report from these types of insurers, for example.

There are however some other provincial insurers that should be required to provide annual actuarial reports, as their liabilities are much more difficult to value.

So basically it reduces some of the red tape for some of the companies without substantially altering or affecting their ability to do business in a way that is . . . It recognizes the need for consumer protection.

(15:00)

**Ms. Julé:** — Thank you, Mr. Chair. Mr. Chair, those are all the questions that I would have on that Bill. Thank you.

Clause 1 agreed to.

Clauses 2 to 100 inclusive agreed to.

**The Chair:** — I recognize the minister to move that the committee report the Bill without amendment.

**Hon. Mr. Cline:** — Thank you, Mr. Deputy Speaker. Well before I do that, if I may, I'd just like to thank the member from Humboldt for her questions and assistance here today. I believe that the member from Humboldt and I are always able to get just to the nub of the issue when it comes to these matters. And I appreciate her assistance in that regard.

And I'd also like to thank the officials for their assistance here today. And without that . . . I'd like to move that we report the Bill without amendment.

The committee agreed to report the Bill.

**Bill No. 27 — The Condominium Property  
Amendment Act, 2003**

**Clause 1**

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

**Hon. Mr. Cline:** — Thank you very much, Mr. Deputy Speaker. Seated to my left is Ms. Madeleine Robertson, who is a Crown counsel with legislative services at the Department of Justice. And behind her is Ms. Karen Pflanzner, who was just here and introduced on the last Bill, who is also a Crown counsel with legislative services of the Department of Justice.

**Mr. Krawetz:** — Thank you very much, Mr. Chair, and welcome to your officials, Mr. Minister. Mr. Minister, as I indicated in my remarks during debate on this Bill, that I serve I guess in two roles. I not only serve as a member of the legislature in questioning this Bill, but I also serve as a condo owner, and serve currently as the president of the Castle Heights Condominium Association.

Some of the concerns that I think are being addressed by this Bill have been put forward long before I became a condo owner. And it's interesting, Mr. Minister, I believe in some of the releases from the CMHC (Canada Mortgage and Housing Corporation), I think we're looking at now a statistic across Canada that there are well over 500,000 condominiums, and of every four home constructions about one out of four is a condominium.

Mr. Minister, your amendments to the Act are broad in scope, and I guess my first question would be, Mr. Minister, is the need for change and the need for these amendments, who was the primary . . . or what group was the primary influence in bringing about these changes?

**Hon. Mr. Cline:** — Yes, Mr. Chair, I'm happy to answer the question for the member. It is mainly a response to requests we get from owners of condominiums and also the many condominium corporations there are around the province, of which there are hundreds and hundreds. And basically we get requests at the Department of Justice from time to time for updating the condominium legislation to deal with some of the issues here — like the issue of taxation for example, the issue of reserve funds and reserve studies, and proxy voting.

These are all things that would typically be raised by owners. They're not generated as such within government. There aren't people that sort of, you know, sit around trying to figure out how to change the Act. They're suggestions that come from the community out there, and perhaps even the members on the condominium corporation might have been, either itself or through some organization, putting forward some suggestions for change.

And before I sit down I'd certainly like to congratulate the member on his election as president of the condominium corporation. I'm sure it's a very well-run organization and we'll all have to consider moving there ourselves, Mr. Chair.

**Mr. Krawetz:** — Thank you, Mr. Minister. And as is the case with most volunteer boards, you happen to show up at the wrong meeting and sometimes you become elected. But no doubt I'm enjoying the role that I play there, and there are a number of concerns that owners have raised and I appreciate those concerns.

Mr. Speaker, I'd like clarification. In your . . . In the amendments, many times you use the words or the phrase, condominium fees. Now condominium fees mean to an owner the monthly fee that is paid to the condominium corporation. Yet to a condominium corporation, there are many things that fit into that fees. They could be, they could be part of the insurance deductible that someone has to pay. It could be part of a large capital assessment that's added.

And I'm wondering, in light of the fact that two of your officials here represent Justice, is there a clear and concise definition of what is meant by condominium fees? Or is it broad in scope, Mr. Minister?

**Hon. Mr. Cline:** — Thank you, Mr. Chair, and thank you to the member for the question.

The legislation deals with different terms. One is simply the word, funds. In section 55 it says the corporation shall establish the following funds and then it refers to a common expenses fund and then one or more reserve funds. So it contemplates a common expenses fund, also reserve funds.

And then in section 56 it says the corporation shall levy on the owners of the units condominium fees. And then it says they will consist of two types of contributions — one being contributions to the common expenses fund and the other being contributions to the reserve fund.

So in other words you've got common expenses fund and reserve fund. And I would think that with respect to the common expenses fund, this could relate to day-to-day expenses or it could relate to any variety of other expenses of the condominium that we're . . . a corporation that were truly common expenses.

So I think it is . . . The corporation, to answer it this way, the condominium corporation has the freedom within its bylaws to levy, on the owners of the units, fees for contributions to the common expenses funds and also reserve funds. And I think that that becomes quite general and gives them a lot of flexibility.

And then when you go on in the next section, section 57 of The Condominium Property Act, it says that the corporation — that would be through its board — would determine the amounts required for the common expenses fund, so the amounts could be for monthly heating expenses but they might be for some other extraordinary expense as well, and determine the amounts of the owner's contributions.

And so I would answer it this way. I would say that it's very general. And it is really within the power of the board of the condominium corporation to determine what the fees should be, and also to add on things that they think it's appropriate to charge fees for as long as they make that decision, you know, in a democratic way according to the bylaws. In other words, by the duly elected board of the condominium corporation.

**Mr. Krawetz:** — Thank you, Mr. Minister, Mr. Deputy Chair. Mr. Minister, there is a need to clarify what your intent was or what the Act is proposing in the clause, I believe it's clause no. 17, the changes to section 63.

And as a bit of an introduction, Mr. Minister, what difficulties condominium corporations are facing today is that if a mortgage exists on a particular piece of property with an existing financial institution and a condominium corporation now registers a lien based on your . . . And I think your definition is correct when you talk about condominium common expenses. They may include an assessment for a capital property. They may be condominium fees, monthly fees that are in arrears. But there is an amount of money that has now become in arrears if I can use that phrase.

Currently the mortgage has first right. And the condominium corporation then follows that particular order. The concern by condominium corporations is first, is this, Mr. Minister, is that if the mortgage is at . . . almost at value of property and the owner of a condominium corporation decides to default on the mortgage, the condominium corporation, through maybe lack of diligence and maintaining accurate records, is now suddenly in a position where it cannot collect what is owed in arrears.

Now the definition that you've indicated in section 63, the condominium corporations and I'm sure condominium owners as well as financial institutions . . . Because I do have a reaction from a financial institution that we consulted with. And I note, Mr. Minister, that in your second reading speech I think of May 12 you indicated that you had, your officials had consulted with financial institutions. A financial institution is indicating that this is strictly condominium fees, and they emphasize the fact that it is only fees. It does not contain the assessment. It doesn't contain other things that may be added.

(15:15)

My understanding, Mr. Minister, and I want you to clarify, is does the lien allow a condominium corporation to place that lien against a property, against that mortgage that is inclusive of everything that the individual owner owes to the condominium corporation — the assessment, the insurance deductible, all of the things that are owed? Could you clarify that, Mr. Minister?

**Hon. Mr. Cline:** — Yes, the member is correct, Mr. Chair. The amendment really only gives the condominium corporation priority over the mortgage with respect to fees that are in arrears. And I should say that that is . . . The lien that presently exists is the same. There is a lien that exists under section 63 of the Act that the condominium corporation can put on now, but the question is they can't put that in priority of the mortgage now.

And what this does is it allows the condominium corporation to put the lien on in priority of the mortgage, but it does not change what the lien can relate to in the first place. So that presently the lien, which might be a second charge to the mortgage, is only for fees that are in arrears. And this will simply allow that lien to be on in priority over the mortgage, but it still is only fees that are in arrears.

The difference being that if the condominium corporation also had a bill, a claim against the unit owner for the legal costs of going after the unit owner let's say, or interest or some other claim, perhaps even a civil claim out of Small Claims Court for damage done to the building let's say, which would really not be fees in arrears, those claims . . . They presently don't have a



lien with respect to those claims and they wouldn't be getting priority either.

So in one sense the legislation doesn't change what the condominium corporation can have a lien with respect to, it's the same. It's only fees in arrears. All it does is it says this is going to be . . . The priority will be different. This will take precedence over the mortgage, which they didn't have the right to do before. So it doesn't go all the way to allow any claim to be given priority over the mortgage. And I suppose in a way it's kind of a balancing act between the rights of the condominium corporation and the financial institution.

Now the amendment does say also that when the condominium corporation puts a lien against the title to the unit, they must notify the financial institution so that at least the financial institution, the first time it happens, can say well we appear to have a problem here and try to take some steps with respect to that customer. When the mortgage comes up for renewal, for example, well typically they won't renew it if there's something taking priority over that mortgage.

And sorry to be so long-winded, but the member's quite correct in what the lien would relate to.

**Mr. Krawetz:** — Thank you, Mr. Minister. The difficulty though, Mr. Minister, and I fully understand that it's just a matter of priority, but you used, and I noticed that you used, the words condominium fees in arrears.

It seems to be there's uncertainty and maybe not clear definition of fees. Does fees currently and as proposed in this amendment, do they include a special assessment that may have been voted on by the entire group of owners and now the special assessment is also in arrears? It's not really a fee because it was . . . It's a special assessment that has been assigned to every owner. And now if that individual is in arrears, does the words condominium fees in arrears, does it include the special assessment as well as a monthly condominium fee?

**Hon. Mr. Cline:** — Yes, yes it does. There's absolutely no question under the legislation that a condominium fee is any contribution toward the common expenses — whether current or the reserve fund — that the board of the condominium corporation assesses against the owners. And whatever those fees are, once they're in arrears, those are considered condominium fees. There's no question about that under the legislation.

And whatever is owed as a fee in arrears — whether it's the monthly charge, a special assessment, reserve fund charge, doesn't matter — those can all be added. They can be included in that lien and the lien can take priority. No problem there.

**Mr. Krawetz:** — Thank you so much, Mr. Minister, for clarifying that. That will help a lot of condominium corporations I think in understanding. And it's unfortunate that it's not retroactive, is all I can say from the point of view of Castle Heights Condominium Corporation.

Mr. Minister, now financial institutions . . . Is there a concern from financial institutions?

By your explanation just now, if a financial institution is carrying a mortgage on a condominium that is at near maximum of value . . . and I understand that many financial institutions deal with a 75 per cent of value potential for a mortgage.

But if that value based on the depreciation of a condominium unit suddenly reaches the point of being almost the equivalent — the value of the condominium and the value . . . or the amount of the mortgage is almost identical — and now a condominium corporation passes a resolution that says we have a capital project and we're now assessing you an additional \$10,000, have financial institutions expressed any concern about whether or not now they're suddenly going to call a mortgage because of that additional liability that now has become a priority versus their own mortgages?

**Hon. Mr. Cline:** — Yes . . . well I should say, Mr. Chair, we had consulted with the mortgage lenders' association and, no, there wasn't that kind of alarm . . . there wasn't any kind of alarm about the provision expressed in that sense.

I think there are a couple of reasons. The first reason is when the condominium corporation itself is assessing these fees against the unit owner, they are doing so to, you know, in part to maintain the building and also sometimes to improve it and also to have a reserve fund in case something goes wrong with the roof or the plumbing system or whatever. So in that sense the fees actually serve to protect the security of the mortgage lender.

And so I think there's an understanding of that, that if you've got the fees in the first place, even if they're not paid, the reason they're there is the condominium corporation is doing the maintenance and upkeep of the building. And that is in the interests of the mortgage lender in the sense that they don't have that with respect to, say, a single family dwelling where nobody has a reserve fund or a regular system of maintenance and upkeep. So in that sense it can be viewed almost as a positive thing.

But there's another reason that I would give and that is that we have to bear in mind that it is very unusual — it does happen but it's very unusual — where the value of a piece of real estate will drop below what is owed for that real estate, at least from the point of view of the financial institution.

And the reason for that is, to get a mortgage in the first place — as the member knows, but I think the public may be interested in this — you normally have to put at least 25 per cent down. And so the amount that the bank or credit union or other institution that's lending the money is owed is going to, generally speaking, be worth only up to 75 per cent of the value of the property. And it's not very often that real estate will depreciate to the point where the value will be less than the mortgage that's owed.

And then if they have a high-ratio mortgage — which is available under the Canada Mortgage and Housing Corporation for people who don't have the 25 per cent; it's true that they can mortgage up to 95 per cent of the value of a piece of property — but in that situation they also have to contribute by paying a three and a quarter per cent, I believe, premium on the amount of that mortgage to a national fund which is used to compensate

lenders who lose money.

So I mean, I think it would almost be always the case where if you had a situation where the mortgage approached the value of the real estate, then normally it would be a high-ratio mortgage and you're almost . . . you have some red tape, you know, to get the money but at the end of the day the financial institution is protected for the money. So no, I don't think it's a major issue. I think it's a balancing act.

I should say that the same kind of — well, or similar anyway — provisions exist with respect to things like insurance, fire insurance. Often this is a contractual provision in a mortgage, but where a lending institution will have the right to add the amount of fire insurance to the mortgage if it is not paid, and then they have to go out and pay it.

And I mean in that sense it's a similar sort of situation. They get affected by a Bill but it relates to something that has a direct impact on the value, the quality of the security they hold as well.

So I think they understand why these provisions are necessary for condominium corporations. And although the condominium corporation gets a priority, I think they also can see the value in the condominium corporation having the ability to protect itself so that the property can be maintained and enhanced.

**Mr. Krawetz:** — Thank you for clarifying that, Mr. Minister, and I do completely agree with you that as a condominium corporation makes a decision to make an assessment on every owner, it's doing so in light of a capital project that is probably going to increase the market value, thus the value that the financial institution may be using, 75 per cent of that value or whatever, now is increased as well.

So I didn't foresee a problem and I'm glad to hear from you that you think the financial institutions will not, will not have difficulty with that clause.

And I think what it does is it encourages condominium corporations, a potential buyer, and a financial institution — if I can refer to all three — in a process that is going to take place regarding the potential sale of a property. There has to be more disclosure and complete disclosure now so that an estoppel certificate that is being provided by a condominium corporation is in fact accurate.

That's what the owner is going to want to check. That's what the financial institution is going to check because now they're not going to want a surprise. So thank you for clarifying that, Mr. Minister.

Mr. Minister, on page 7 of the Bill, reference to clause no. 17, section 63.1(2)(b), you indicate there that the interest that we've just been talking about does not have priority over a . . . was the claim for taxes. What is meant by a prescribed interest or claim?

**Hon. Mr. Cline:** — Mr. Chair, we do not at the moment have anything in particular in mind that should take priority over the lien charged by the condominium corporation. But the advice I have from the officials is that it may be in the future that there may be some kind of claim that should take priority.

And one example that is raised is the possibility of a builder's lien taking priority over the claim of the condominium corporation. And a builder's lien of course is, if I'm an electrician and I'm asked to come in and either wire the building initially or rewire it, then I can, if I'm unpaid by the corporation, I can file a lien against the building.

And I'm told that in British Columbia they have made the decision that a builder's lien should take priority over the lien of the corporation against the unit owner. In Ontario they have reached the opposite conclusion. And we don't actually have a view on it but we're thinking that, as time goes on, there may be situations where somebody comes along and says that their claim should have priority. It might be a builder's lien, it might be a different situation.

And although we don't have anything in mind right now, the feeling was that we should provide the flexibility in the legislation to consult with the condominium developers and the corporations and the unit owners as time goes on. And there may be something we should do differently.

(15:30)

And I should say that the reason you would want to do that is with respect to this condominium legislation, as the member knows, it is a situation where there are many parties that are interested because it's actually one in three dwellings now in Saskatchewan that is being built as a condominium. And we are constantly receiving different situations that developers may bring to us, or people that live in condominiums or the condominium corporation boards themselves.

And so to the extent that we can be able to prescribe this sort of thing in regulations instead of every time somebody wants a change coming to the legislature, that would be one reason for providing this kind of flexibility in the legislation to allow the cabinet to make regulations. But again, these would really be at the request of the condominium community, not something that the government would have much of an interest in generating by itself.

**Mr. Krawetz:** — Thank you, Mr. Minister. Mr. Minister, for clarification as well. I don't believe that your Bill proposes to do anything to this particular understanding. And that is that if a condominium owner has been charged with some assessment or some other debt that needs to be paid and is not in arrears, but there is a debt on the piece of property that this owner now owns and sells the property to a new owner, there is no intent in this Bill and any sections that would change the fact that the debt travels with the property. Is that clear?

**Hon. Mr. Cline:** — Yes, that's absolutely correct and clear. There's nothing in this legislation that would change that. And that would . . . The Land Titles Act which now governs the title would continue to govern in exactly the same way except that, except with respect to what we've already talked about, that there would be a lien that could be registered prior to a mortgage.

And of course normally that would not operate that way under The Land Titles Act but there's no other change that's made that would affect the validity or priority of encumbrances that

are registered against titles through the land titles system.

**Mr. Krawetz:** — Thank you, Mr. Minister. And I'm glad to hear you clarify that. No question the estoppel certificate will indicate what debts are owed and that travels with the title.

Mr. Minister, the section on page 6, section 15 talks about a reserve fund study. And you made reference to that, that there will be a reserve fund study now where you will actually be directing a condominium corporation to have that study within three years. So it's an expense for the condominium corporation board.

Mr. Minister, in the Act you make reference to a study that would determine an amount of a reserve fund. Are you expecting that there will be regulations that will contain what a reserve fund should be? Or will it be an amount that will be determined by the condominium corporation board of that specific condominium units?

**Hon. Mr. Cline:** — In answer to the question, Mr. Chair. The amount of the reserve fund would be set by the board of the condominium corporation. It would not be prescribed in the regulations. And the way this is really written is not so much to prescribe the amount of the reserve fund but to force, if you will, every condominium corporation periodically to take a look at the building and to see what if anything needs to be done or what the problems may be.

And then to have that presented at their annual meeting — not each year but every so many years — so that people really do sit down and think about it and talk about it so that they don't fall into a situation where you have kind of a major catastrophe in a building because nobody's paid any attention to it for 10 years, and everybody goes about their business and all of a sudden says, why didn't anybody tell us about all this?

And so the intent of the legislation is to say that every corporation shall do a reserve fund study periodically.

It does not set out who should do that study. It doesn't require, for example, that they necessarily hire professionals to do that. You may have condominium corporations that have architects, engineers, knowledgeable farmers — of which there are many, you know, in terms of various systems — people, tradespeople that you know can look at buildings and assess things in smaller buildings.

And so it mainly is to say everybody has to direct their mind to this periodically so that we can at least have a dialogue at our condominium corporation about what the problems are. And otherwise you know it's sort of out of sight, out of mind.

And we've seen in British Columbia the kind of, really, disaster that has befallen people over the leaky condos. I don't think we're going to have a problem with leaky condos in Saskatchewan. It would have been nice the last few years to have a few leaky condos. But it's to prevent that kind of disaster from happening here.

**Mr. Krawetz:** — Thank you, Mr. Minister. And you're right, I think this type of guidance is especially important for condominiums that have been built for 25, 30 years. And as

you've said, everything's been rolling along nicely for 20 years and maybe a board decided not to build a reserve fund and all of a sudden there is a failure of two roofs, and a need to repair and replace all windows, and now you're looking at a \$500,000 project. Now you need a special assessment and this type of study is important.

A clarification, Mr. Minister, same section, section (5). And I note that you said you weren't intending to have a specific person do these studies. Section (5) says that, "Every study must be conducted in the prescribed manner."

And that is of concern to some condominium corporation or property managers that I've talked to. It says prescribed manner yet nobody knows what that prescribed manner is. Is it the hiring of an individual? Is it a time period? What is meant by prescribed manner?

**Hon. Mr. Cline:** — Yes, we're going to have widespread consultations before we prescribe the manner in which the study must be conducted, and all of the parties will be consulted in this regard.

The thinking here was that there may be some different needs according to the different sorts of buildings. For example, if you have a condominium corporation that has 10 units in it, let us say, my feeling is that that is a condominium corporation that can determine on its own, through inspection by its unit owners if it so wishes, the people that live there, what they think should be done — that they would do their own reserve study if they wish or they could hire somebody if they wish.

And we don't have these rules set out yet. I'm just using examples. But you may have another situation where you have a condominium corporation where there are, let's say, hundreds of units — let's say a 30-storey building in Saskatoon with 8 units on each storey, 240 units, something like that — where there are much more complicated systems for mechanical, heating and air conditioning, ventilation, elevator shafts, elevators, underground parking, and so on and so on. And it may be that with respect to a very large corporation, the rule might be, look, you have to have a reserve study every three years and that reserve study for this building has to be done by a qualified professional. Now what the qualifications would be, I'm not sure. Is it an engineer, an architect? I don't know.

But the point is, there may be different rules with respect to different sorts of condominium corporations.

And we had in bringing forward the legislation, in the consultations we had with condominiums, some of them, some of the parties consulted with said, every reserve study should have to be done by a qualified professional. It doesn't matter whether it's 4 units, 100 units — everyone should be a qualified professional. Others were of the view that no, that should be a decision to be made by the condominium board. And I don't mind saying, I'm of the view that you should not have to have a qualified professional in each case. That's my view.

Having said that, we'll be respectful if the views of the community are different. But I believe they're not different. I think that the condominium corporations in some cases want to have professionals and other cases don't.

We will have to assess the degree of risk. We'll have to consult with the developers, the owners, and the boards. That's what we're going to do and then we'll prescribe when do you need a professional and when do you not. And that will take some time to work out but we're going to work it out in a reasonable way.

And that's the reason why we believe the best thing to do is to say that the study should be conducted in the prescribed manner, as prescribed in the regulations, and there will be different rules for different sorts of condominiums.

**Mr. Krawetz:** — Thank you, Mr. Minister, for clarifying that. Mr. Minister, I guess the concern that has been expressed by property managers of course is that the prescribed manner doesn't become so onerous that it becomes very difficult for condominium corporations to carry out that type of study, because the goal here is to ensure that every three years, or periodically, that there be an assessment that is accurate and carries that out.

Mr. Minister, the Bill also refers to a prescribed rate of interest in section 16. Could you indicate to the Assembly what that prescribed rate of interest currently is?

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

**Mr. Brkich:** — With leave to introduce guests?

Leave granted.

#### INTRODUCTION OF GUESTS

**Mr. Brkich:** — Thank you, Mr. Chairman. I want to welcome a school group from Davidson. A number of students, 29 students, grade 9, are here. I hear that they were doing something else up here and they got rained out so they decided to stop here which was good. With them is teachers, Scott Cory and Paulette Kehlo, and I also see a chaperone or two with them.

I hope that they will enjoy the proceedings. Right now we're under Committee of the Whole. We're discussing Bill 27 with the critic asking the minister some questions on it. I don't know how long you'll be here but if you're going to be here a while longer I can always answer some questions for you outside the Chamber.

I will welcome you here along with . . . and ask the other members to welcome you here.

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

**Mr. Krawetz:** — Thank you, Mr. Speaker. Mr. Speaker, also leave to introduce guests as well.

Leave granted.

**Mr. Krawetz:** — Thank you very much, Mr. Deputy Chair, and thank you to my colleagues. Seated in the east gallery is a large group of students that come from the community of Foam Lake. This is an annual trip, I think, for the grade 5 students. Teachers, Mr. Jim Hack and Ms. Ruth Gislason, do this on a regular basis and I'm pleased to see the grade 5s here from

Foam Lake again.

We have 26 grade 5 students, and along with the two teachers I'd also like to introduce Debbie Slowski, who is a teacher aide, and Dennis Friesen, the bus driver — probably the most important person today — that's going to ensure that the students get back to Foam Lake safe and sound.

So I'd ask all members to welcome the students, and as indicated by my colleague, what we are doing at the moment is referred to as Committee of the Whole. And I'll have an opportunity to answer some of your questions probably in about 15 minutes.

So I want all members to join me in welcoming the grade 5 students and the adults with them to the Assembly this afternoon.

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

#### COMMITTEE OF THE WHOLE

##### Bill No. 27 — The Condominium Property Amendment Act, 2003 (continued)

#### Clause 1

**Hon. Mr. Cline:** — Thank you, Mr. Chair. Yes, the member from Canora-Pelly was asking me a few minutes ago about the meaning of this provision: "The interest rate fixed pursuant . . . shall not exceed the prescribed rate."

This would have to do with interest rates charged by condominium corporations on money that was owed to them by their unit owners that was overdue. And we don't actually have in mind that there is a problem that currently needs to be addressed. We don't have in mind prescribing a rate. So as long as we don't do that, they can charge whatever rate they want.

But if there is any abuse, for example, with a condominium corporation saying, you have to pay us 20 per cent interest a month or something, then we would want to have the ability to deal with that as some other jurisdictions have, to say, look it's fine to charge interest but you have to charge the people a reasonable amount of interest. And that is the purpose of that provision.

(15:45)

**Mr. Krawetz:** — Thank you, Mr. Minister. Mr. Minister, one of the other sections contained in Bill 27 deals with taxation and assessment, and the current procedure in condominium corporations is that the entire unit — and I think you used an example of a 30-storey unit with 240 different condominium units within that structure — currently we have an assessment procedure that assesses the entire building and then allocates assessment to the owner based on the unit factors.

Now the suggestion in the amendments is, I think, a dramatic change in that now each of the individual units will be assessed a specific market value . . . specific assessment value based on market conditions. Mr. Minister, the concern of individual

condominium owners is that this not become a method of increasing assessments overall because very clearly taxation is connected to assessment.

So the concern, Mr. Minister, is that if a total property, a building that contains 12 different condominium units, has a current value, is it the intention of the amendment that after each individual unit is assessed — in other words all 12 — that the total assessment of the building to begin with will now equal the 12 individual assessments combined? Is it still the intent that the assessed values of the entire structure would remain the same?

**Hon. Mr. Cline:** — Mr. Chair, it should not make a big difference in the total assessment for the building but there's no guarantee that it won't make some difference. I mean, the actual taxation paid for the building could go down or it could go up depending on the circumstances.

But I should say that this is a change that has been asked for by the condominium owners themselves because they believe it's unfair that they're assessed taxation . . . Well let's say that I own a condominium that's worth \$80,000 and it has the unit factor of my neighbour. But my neighbour has upgraded her condominium and her condominium is worth \$120,000. Mine is worth 80,000. Presently if we have the same unit factor by having the same space, we're paying the same tax.

But this amendment would say you will pay the tax pursuant to the value of your condominium. And most people would regard that as fair — and in fact, I think it's such a good provision, it's even got the opposition members happy for a change — and so that's the reason for the change.

**Mr. Krawetz:** — Thank you, Mr. Minister. Mr. Minister, the value of the condominium, I'm glad to hear that you don't expect a dramatic change. But you are correct, many owners who have a similar unit factor as a neighbour and are paying the same amount of tax even though their unit may be, you know, worse or better than the others, needs to be clarified.

One final question, Mr. Minister, dealing with the common area. Under the old system, of course, the building was assessed that dealt with not only the individual units but it also included in the assessment the common area. How will that now be translated into individual owners? Will individual owners be assessed their unit plus an additional amount of the common area to compensate for that assessment that currently is in the total process?

**Hon. Mr. Cline:** — There will not be any assessment of the common area. The common area will be, in effect, valued by the value assigned to the individual condominiums. The value of one's condominium will be affected by the quality of the common area, among other things. And it's felt that if each individual unit is assessed a certain amount of taxation, that you thereby will in effect be indirectly taxing the common area.

So it will be done indirectly in that way, but there won't be any separate taxation or assessment with respect to the common area.

**Mr. Krawetz:** — Mr. Deputy Chair, I want to thank the

minister and his officials for helping not only me but I'm sure the property owners and the condominium property managers and condominium corporations have a better understanding of the amendments that you have proposed. Thank you very much for clarifying those.

Clause 1 agreed to.

Clauses 2 to 28 inclusive agreed to.

**The Deputy Chair:** — I'd like to ask the minister to ask the committee to report the Bill without amendment.

**Hon. Mr. Cline:** — Thank you, Mr. Chair, and before I do that I'd like to say to my colleagues I don't think I should have to do all the voting in this House by myself. And I think it will give the students the wrong impression that I'm the only one that votes around here. Okay the . . . and everybody agrees with that.

Well before I move that we report the Bill without amendment, I'd like to thank the hon. member opposite for his very helpful questions. He's obviously very knowledgeable about this subject, and I mean that, as president of a condominium corporation himself. And I really enjoyed the opportunity to explain some of these provisions which are very important to a lot of people in the province.

I also want to thank the officials for assisting me here today, for the good work they did today, also the good work they do on our behalf each and every day of the year. And with that, Mr. Chair, I'd like to move that we report this Bill without amendment.

The committee agreed to report the Bill.

**Bill No. 29 — The Non-profit Corporations  
Amendment Act, 2003/Loi de 2003 modifiant  
la Loi de 1995 sur les sociétés sans but lucratif**

**Clause 1**

**The Deputy Chair:** — I'll invite the minister to introduce his officials.

**Hon. Mr. Cline:** — Yes, I have one official with me today and he is Mr. Tim Epp, and he is the Crown counsel of the legislative services branch of the Department of Justice.

**The Deputy Chair:** — Thank you, Mr. Minister.

**Ms. Julé:** — Thank you, Mr. Chairman, and good afternoon once again to the minister and his official. Mr. Minister, I have about three or four questions in regards to this Bill, An Act to amend The Non-profit Corporations Act, 1995.

Now, Mr. Minister, we have a number of volunteer and non-profit organizations that organize day camps and so on throughout the summer, and I would expect that parents sending their children to these camps would sign a release form. But there may be a situation arise, for instance if a child drowns and there was not proper supervision or some type of other injury occurs in which the non-profit organization's employees did not follow standard procedures or perhaps exhibited poor judgment.

Will this amendment prevent a parent from then suing the organization or an individual if negligence is involved?

**Hon. Mr. Cline:** — No. The answer to the question, Mr. Chair, is no. This amendment would not prevent a person from suing a non-profit corporation well actually in any circumstance where the non-profit corporation could be sued now, so that if an employee of a non-profit corporation was negligent, the corporation and the employee could be sued today. And under this legislation the corporation and the employee could still be sued.

What this speaks to is the position of somebody on the board of the non-profit corporation. To use an example, well a non-profit corporation let's say, that runs a summer camp for children. A child goes to the camp; a child is injured through the negligence of an employee. Today the child's parents might be able to sue the non-profit corporation, and the employee who was negligent, and the board member who didn't really do anything connected with the problem but is just a board member, but who would be vicarious . . . maybe vicariously liable for the acts of the employees of the corporation.

What this would say is you still can sue the corporation, you still can sue the employee, but you can't sue Joe or Mary who sit on the board just because they're on the board. They would have to be . . . Now they could be sued if they were personally involved in a situation that happened. Let's say they were running the camp and they were negligent. Maybe they'd be sued for that reason. But they couldn't be sued for something that they had nothing to do with other than the simple fact that they're on the board of that corporation.

**Ms. Julé:** — Thank you, Mr. Chair. Mr. Minister, I'd like to take this just a little bit further for further clarification and I would like to cite some examples of when and when, when and . . . when it is and when it is not an individual's right to sue a non-profit organization.

Mr. Minister, in the event that a non-profit corporation would neglect to keep its facility in good repair and say someone visiting that facility is injured — let's just say a hypothetical example like a light fixture fell on their head and injured them — will this amendment prevent an individual from suing that non-profit organization that would neglect to keep its facility in good repair?

**Hon. Mr. Cline:** — The simple answer is no. You can certainly sue the non-profit corporation for the non-repair of the property. You can do that today, and this legislation wouldn't change that because it doesn't change any situation where a non-profit corporation might be sued. It only says that the director of the corporation would not be . . . could not be sued because the light fixture fell on somebody's head. The corporation itself could be sued.

(16:00)

It's possible that someone directly involved in the situation might be sued as well, which it could include a director but they would have had to have actually done something. For example, if I'm a director of a non-profit corporation and I affix a heavy light fixture to the ceiling only with a few wires and it falls on

someone's head, I may be sued for that but it's not because I'm a director, it's because I myself was negligent. And the non-profit corporation could also be sued, but a director that was not involved in that could not be sued. And that is the change.

**Ms. Julé:** — Thank you. Mr. Minister, is there going to be a requirement to have patrons enrol in some sort of program or sign acknowledgements that . . . to inform the people that they are taking to a non-profit organization's place . . . Would there be a requirement by the non-profit organization, rather, to ensure that there is full knowledge of what is happening under this Act, what changes are being made under this Act? Will there be information disseminated to affected parties, for instance before they would go to a day camp so that they are fully aware of the rules here that are now in place?

**Hon. Mr. Cline:** — Other than dissemination of information about the legislation to the voluntary sector, the answer is no. There won't be any, any real effort made to advise every person who might go to a place run by a non-profit corporation that this law has been passed in the sense that there are actually a variety of rules that would apply with respect to risks that they take, who may be responsible for what.

And I believe that the non-profit corporations themselves should be informing people of any risks and obtaining appropriate waivers and so on. But it is not something that the Government of Saskatchewan will be engaged in, other than making sure we communicate to the voluntary sector that this is the rule. And of course we have been doing that. We'll continue to be doing that.

I should say that this is a recommendation that arises in two ways. First of all from the Premier's Voluntary Sector Initiative that was prepared by some of the members of this legislature for the Premier — the members from Regina Wascana Plains, Saskatoon Idylwyld, and Cumberland; also from the Law Reform Commission of Saskatchewan which recommended a change in this way.

So we want to publicize the change, for sure. But I cannot guarantee that somehow we'll communicate the change to every person that may potentially now or in the future be affected by it.

But it will be like a lot of these rules. It will be a part of the general state of the law and, to that extent, you're hopeful that people have some understanding of the law, but there won't be any individualized communication effort in that sense.

**Ms. Julé:** — Thank you, Mr. Chair. And I'd like to thank the minister and his official for providing the answers here today. And that will be the conclusion of my questions. Thank you.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

**The Deputy Chair:** — I ask the minister to move that the Bill be reported without amendment.

**Hon. Mr. Cline:** — Thank you, Mr. Chair. Before I do that, I'd

like to thank the member from Humboldt for her very good and I think helpful questions. And it's been an interesting discussion about an important topic.

And also I'd like to thank Mr. Epp, the official here today, for his very helpful advice. And with that, I'd like to move that we report the Bill without amendment.

The committee agreed to report the Bill.

### THIRD READINGS

#### Bill No. 15 — The Saskatchewan Insurance Amendment Act, 2003

**Hon. Mr. Cline:** — Mr. Speaker, I move that this Bill be now read the third time and passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

#### Bill No. 27 — The Condominium Property Amendment Act, 2003

**Hon. Mr. Cline:** — Mr. Speaker, I move that this Bill be now read the third time and passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

#### Bill No. 29 — The Non-profit Corporations Amendment Act, 2003/Loi de 2003 modifiant la Loi de 1995 sur les sociétés sans but lucratif

**Hon. Mr. Cline:** — Mr. Speaker, I move that this Bill be now read the third time and passed under its title.

Motion agreed to, the Bill read a third time and passed under its title.

### COMMITTEE OF FINANCE

#### General Revenue Fund Environment Vote 26

#### Subvote (ER01)

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

**Hon. Mr. Belanger:** — Thank you very much, Mr. Chairman. To my immediate left is Lily Stonehouse, our very capable deputy minister; and to my . . . Just directly behind Lily, is Mr. Zukowsky, Ron Zukowsky, who is the executive director of policy and assessment division. To the right of Mr. Zukowsky and directly behind me is Lynn Tulloch, the executive director of corporate services division. To my immediate right is David Phillips, assistant deputy minister of the operations division; and directly behind Dave and in my camera angle behind me, is Mr. Rick Bates, the director of communication.

The other officials that are further towards the back, Mr.

Speaker, are Stuart Kramer, the president of the Watershed Authority; Wayne Dybvig, the vice-president of operations of the Watershed Authority; Dennis Sherratt, the director of fish and wildlife; Donna Johnson, the manager of the corporate services; and Dave Tulloch, of the fire management and forest protection. Thanks, Mr. Chairman.

**Mr. Weekes:** — Thank you, Mr. Chair, I'd like to welcome the minister and his officials here today. There are many pertinent questions that members from this side have for the Minister of Environment, and I like to turn it over to my colleague for a few questions.

**Mr. McMorris:** — Thank you, Mr. Deputy Speaker . . . or Chair of Committees. I really have one question or one issue, I guess, and we went through it last week or two weeks ago whenever it happened to be, for kind of a long period of time, longer than probably what it needed to be.

But certainly I did hear at the end that your officials would be meeting with officials from PFRA (Prairie Farm Rehabilitation Administration) and I guess my question is, did that meeting take place and what sort of details can you give me from that meeting? More importantly, how close are we to a solution on the whole Qu'Appelle water level issue?

**Hon. Mr. Belanger:** — Thank you very much for the question. I thank the member for the question as well, as I am aware the member is quite interested in some of the resolution and certainly some of the aspects of this particular challenge.

Again we've met, certainly the president of the Watershed Authority met with the federal lead negotiator on the QVIDA (Qu'Appelle Valley Indian Development Authority) issue, and the discussions of course went on from 2 o'clock till 4:30 and I believe that this was last Wednesday. And I can report that the federal government has put no new offers on the table. Most of this time was spent on evaluating how negotiations could be moved forward towards a solution.

(16:15)

At the conclusion of this meeting, we agreed on the following points: number one, that QVIDA will be asked to put forward a final settlement proposal; number two, when we get that QVIDA proposal we — and I'm talking about Canada and Saskatchewan — will again talk about these proposals.

And until the QVIDA proposal is received and Canada and Saskatchewan can discuss it, really we can't make any particular comments on how this could or could not be the basis for a solution. And again the idea is to focus on the discussions of a solution. But to date we have not got the response and certainly a final settlement proposal from QVIDA.

**Mr. McMorris:** — Thank you, Mr. Minister. I'm certainly glad to hear that the provincial government has at least gone to the table now and had meetings with the federal officials.

And also I know you had talked last time with QVIDA. And I guess right now maybe we're not seeing the effect of low water level in the Qu'Appelle chain, but I would say in the next two to three weeks it's critical that those meetings continue, and

hopefully QVIDA comes up with a final proposal between the federal government and ourselves, the provincial government, that we can find some sort of resolution.

Because I can't stress enough the devastating effect that a low water level will have along those chains going into freeze-up especially; the amount of money that has been put in to — not cottages any more, residences — along that lakefront, whether it's Pasqua, Echo, and then on to Crooked and Round.

So I just can't stress enough the importance . . . Whatever it takes from the provincial government — and I'm not going to get into the money issue at all right now — but certainly being at the table and pushing the issue ahead is at least some reassurance. So thanks for the answer so far. And I guess the next time we have estimates I'll be asking the same question if it hasn't been resolved.

**Hon. Mr. Belanger:** — Again, thank you for your interest in this particular issue.

I point out that often in this particular role as minister — and I think you know this is something that we want to stress to a lot of people that are listening and certainly to the opposition — that in the task of being minister and certainly having to find resolution to some very difficult issues throughout your tenure, or throughout my tenure as a minister, and certainly throughout your life as an MLA, that often you'll run into the challenge of hearing many, many speeches. And often we tell folks throughout the land that it's very, very important is that we not continue having eloquence on the issue but rather clarity on the solution. And I think clearly that's the premise that we're operating under.

And again we point out to the people of Saskatchewan and all the affected stakeholders that it is our role to respect each stakeholder's process and finally provide clarity on solutions. And from there then we can begin discussions and negotiations. And it's through that push and pull and tug and give and take, and the premise of respect, that we're able to find the solutions that we're all striving for.

And I hope that over the next short while that all the parties are willing to come up with a solution and we can certainly have a good summer for the Qu'Appelle Valley people that are involved and certainly for the people of Saskatchewan overall.

**Mr. Weekes:** — Thank you, Mr. Deputy Speaker. To the minister, I have a number of questions and concerns about the status of chronic wasting disease in the wildlife. And I'd just like to ask the minister some questions around really the statistics as far as testing. How many animals have been tested in the wild and could he break that down into species?

**Hon. Mr. Belanger:** — Thank you very much for the question. I want to point out that we've tested the . . . about approximately 12,000 animals, and both these are mule and whitetail deer. And we don't have the basic numbers to break them down but to be very specific, we've tested 11,819 heads of animals. And to point out that we want to thank the many hunters and the many groups out there that co-operated with the collection of heads because without their co-operation we wouldn't have the type of numbers that we do have, to do a

number of tests on some of the wild animals in reference to the deer when it comes to chronic wasting. So again on behalf of the department, I want to thank the many hunters and the groups out there that co-operated, because without their co-operation we wouldn't have enjoyed the success of testing 11,819 heads.

**Mr. Weekes:** — Thank you. To the minister, could you tell us how many have . . . animals from the wild have tested positive for chronic wasting disease?

**Hon. Mr. Belanger:** — Thank you very much for the question. I want to point out that of the approximately 12,000 animals tested, we've had 12 cases that have come back confirmed as chronic wasting disease. And if my calculations are right — and I want to point out that math wasn't my strongest subject in school — but that would roughly be .01 per cent of the total animals tested.

**Mr. Weekes:** — Thank you. Next question is concerning the winter hunt in the Saskatchewan Landing area. Could the minister tell us what was the result of the winter hunt?

**Hon. Mr. Belanger:** — Again, thank you for the question. We've had, at the Sask Landing area for the winter hunts between January and March, we've had approximately 500 heads that were submitted. And of those 500 heads, three animals were confirmed to have chronic wasting.

**Mr. Weekes:** — Thank you. To the minister, I've had and many of my colleagues have had a number of complaints about that winter hunt, and the complaints revolve around the people in that area, hunters going in there and doing some damage to property, driving around. But I guess that's possible. That's an individual's choice, I guess, to do that and how they handle themselves.

One complaint that I had, or a number of complaints that I have was concerning animals that were shot. The heads were not taken; they were just shot and left. And I would just like to know if there has . . . any of these complaints have come to your department about both damage to private land and animals being left without the meat being taken or the heads being submitted for testing?

**Hon. Mr. Belanger:** — Thank you very much. And again one of the things we wanted to point out is that in the collection of some of the heads, that we wanted to undertake as a result of some of the heads . . . some of the hunting seasons — and in this case we had an extension of the hunting season — I want to point out that by and large most of the groups that we have engaged with and most of the folks that have helped us in reference to the testing program have been very responsible, respectful, and co-operative, and they continue to do so. And that's one of the reasons why I wanted to recognize them.

But I think one of the most important things that we want to be careful here is that while this is an extension of the hunting season, the same rules would apply where we would say: look there's laws against waste of game, there's laws against trespassing, there's laws against, you know, unsafe conduct of vehicles and chasing animals with vehicles, and so on and so forth. And we did have some of the concerns that were



expressed — this is not a wild-west shootout — there are rules and regulations that have to follow.

And in fact we had . . . the landowners that did have concerns, we worked very closely with them. Many times the landowners co-operated with us and consulted with us in terms of issuing of the permits. So landowners have a very close connection to some of the exercises that we're undertaken in reference to some of these areas that we're allowing extra hunting for to improve our testing for chronic wasting. So we want to point out that respect for the landowners is paramount to some of the success, and we want to continue building on that.

And some of the complaints that we did get, our officers are following some of these complaints up and if there's evidence that there is some hunting laws that have been broken — such as a waste of game — then of course charges will be laid. So I want to point out that the relationship and the partnership that we've enjoyed in reference to testing for chronic wasting has been very successful. There are some issues in reference to the concerns you raised.

We want to continue working with the landowners and to continue stressing upon our partners and people out there listening that in the event that you are hunting — whether it's for chronic wasting disease purpose as we have done before — please follow the rules. Most of the other people are following them. And if you're not following the rules, then of course our COs (conservation officers) will certainly investigate. And hopefully, when it comes to things like waste of game, that charges will be successfully laid against those that are doing that.

But by and large, our partners out there — the hunters, and the Wildlife Federation, the folks that are involved — they are being very responsible and we want to commend them and recognize them for that as well.

**Mr. Weekes:** — Thank you. Another concern is I would assume the department has a rough estimate of how many animals were in any particular area, wild animals. And I'll put my question more to the Saskatchewan Landing area.

There is a concern that with the winter hunt that many of the animals were really chased out of the area doing that hunt. And my question really is, too, does the department know exactly how widespread that was, and if these animals have been chased onto other areas, how that reflects to the overall plan of controlling the disease?

(16:30)

**Hon. Mr. Belanger:** — Thank you very much for the question. And it was a very good question in the sense of if you're concentrating the hunts in a certain area, wouldn't that chase the animal out and thereby causing the potential for the disease to not be contained in a certain area?

I would point out the challenges with the chronic wasting disease is that what we're dealing with when it comes to animals in the wild, of course animals migrate. And in the case of a mule deer, they'll sometimes travel 100 miles to some traditional fawning area — I think it's called fawning area —

but where they'd go and of course have their fawns. And those travel patterns are, basically there's historical perspective in the sense that 100 miles of travelling for fawning purposes are fairly solid in terms of the distance.

In that particular area we surveyed, before the hunt, approximately 3,000 animals, and with the winter hunt we harvested 500. And of course during the regular season there was, I believe there was 100 that were also harvested, so you're looking at about 600 of the animals were taken in that specific area.

And the purpose of having a January to March hunt is that's when they generally congregate in that area. And they're not necessarily stationary but they geographically stick to one particular spot. It's after March, during May and June time frame, when they begin to migrate and to travel. So really we enter the area when they congregate, we thin out the herd as we've done in the past to see the prevalence of the disease. After March, which is at this time frame, they're out travelling having their fawns.

So again there's a lot of rhyme and reason and logic as to why we have a winter hunt, to look for the prevalence of chronic wasting in the time frame of January to March. And following that period it's difficult to track the patterns, but again based on our survey of 3,000 animals, we harvested 600 during that critical time frame and of the 600, of course three came back chronic-wasting-disease positive.

And these are really good practices that we currently employ, and we continue doing so to make sure that we hopefully are able to nip this particular challenge in the bud before, you know, it becomes a major, major problem.

So that work will continue, and I think as much public information and awareness that we can disseminate out there to the public on this particular matter is, you know, something that we want to continually do.

**Mr. Weekes:** — To the minister. You have samples that are submitted from the hunting season, normal hunting season, and from the winter kill. Are there heads submitted to be tested for chronic wasting disease from road-kill animals as well?

**Hon. Mr. Belanger:** — I can report that the roadkill during the summer is not tested. What I think I'll point out is that often in these extreme warm summer days roadkill, you know the deterioration of the animal happens very quickly so the testing results would not be very helpful. So the answer to your question is during the summer months testing of road-kill head is not done for that specific reason.

**Mr. Weekes:** — Thank you. I guess, I guess the animals killed in the wintertime could be tested, and I guess if you could give me your thoughts on how many of those get tested?

But in more of a general nature, what is the plans of the department and the government concerning the future of testing in the wildlife? Will there be more winter hunts? Are you waiting . . . Are you just going to go along as you are now, testing animals from the normal hunting period, or will there be any other winter hunts and other programs that may be

implemented in the future year, regardless if there's any more animals that come down positive with CWD (chronic wasting disease)?

**Hon. Mr. Belanger:** — Thank you very much for the question. I just want to clarify. Yes, I probably was evasive in the answer about the roadkill in terms of the winter months, and I didn't mean to be. The fact of the matter is that during the winter months there has been some testing of some of the road-kill head, but that has been minimal in comparison to some of the testing programs that we've undertaken in the last three or four years.

I would point out that during the summer that the deterioration of the animal happens so quickly that it would be . . . It wouldn't be valuable for us to test some of the roadkill in that instance.

But I would point out for this year, no there isn't going to be . . . We don't have any plans to do any extra hunting seasons for the purposes of testing for chronic wasting. What you wanted to do was you wanted to confirm that it was indeed in the wild and after doing 12,000 heads over a period of three or four years, you know, we have confirmed that it is indeed in the wild.

So one of the things we want to do is not only have any special hunts of that sort, I think just through the regular hunt if animals out there are harvested and hunters want to be assured that this animal doesn't have chronic wasting and there are concerns that they may enter the food chain — you know, whatever the concern of the hunter may be — then we would undertake to have that particular head tested.

One of the reasons we done the extensive head sampling exercise the past number of years is to see how prevalent chronic wasting was in the wild — well first of all, to see if it was there — and since it was confirmed to be there, to see how prevalent it was.

And so again, if a hunter asks for testing of a head to assure himself or herself and this animal's taken during regular hunt, then we can certainly undertake to do that. But in terms of the . . . of extra seasons and so on and so forth, the answer, it will be not undertaken extra hunting seasons for chronic wasting disease testing.

**Mr. Weekes:** — Thank you to the minister. The next few questions concerning the status of the game farm herds in Saskatchewan, I'd like to know some statistical information. How many game farm animals have been tested for chronic wasting disease? What species, if you have the breakdown of the species? And what were the results of those tests?

**Hon. Mr. Belanger:** — Thank you very much for the question. In reference to the extra . . . Just, I want to add on to the earlier point I make about this fall, is that there will be additional mule and white-tail deer that will be allowed to be harvested. So there's going to be an increased harvest just to again thin out the herds. As we know, that may be a very effective means of controlling the spread of chronic wasting.

I would point out in reference to the question that you have about the elk farm, we don't have those statistics. Obviously

Agriculture and Food would have the specific information. But when an animal does die, they do the testing. But that information in terms of the specifics and the species breakdown, I would ask the member to defer that particular question to the Minister of Ag and Food where he can give you the very specifics.

**Mr. Weekes:** — Thank you, Mr. Minister. Okay if you can't give me those numbers, I guess my next questions really revolve around the status of the game farming herd in Saskatchewan.

Could you tell us about the quarantine herds that are in Saskatchewan and the information about how long they're going to be quarantined, and questions revolving around what those quarantine farms are able to do as far as grazing other species, other animals, and other agriculture enterprises on those lands?

**Hon. Mr. Belanger:** — Thanks again for the question. I point out to the member opposite that we don't handle domestic herds. Again that particular matter will be best addressed by the Minister of Ag and Food. And I understand that there is some good collaboration between Ag and Food, the Canadian Food Inspection Agency out of Ottawa. So CFIA (Canadian Food Inspection Agency) and Ag and Food will have the very specifics in the herds that have been quarantined that you've asked about.

And SERM (Saskatchewan Environment and Resource Management) of course is very aware of what's, you know, what the domestic herds are all about. We stay continually in contact and we are involved with the import and export of some of the elk to a certain extent. And again, we have a collaborative relationship with Ag and Food and CFIA are the lead agencies and they'll be able to give you the specific information.

**Mr. Weekes:** — Thank you, Mr. Minister. I guess that's one of the issues I was leading to, is with the game farm industry is having to go to at least Ag and Food and the Environment department far as licensing and permitting.

Are you able to supply any information as far as the relationship to regulation around game farming? It's been proposed that game farms may need to be double fenced and more regulations concerning keeping the wildlife and the domestic herds separate. And could you explain some of the regulations, or is the government planning any regulation changes concerning game farm regulations?

(16:45)

**Hon. Mr. Belanger:** — Well thank you very much for the question. I'll point out that one of the things that's very important is that, again, the elk farms are considered domestic herds, and they're under the purview of the Department of Ag and Food. And Ag and Food and Saskatchewan Environment do have a protocol of working together to talk about issues such as double fencing and whether a double fence or a single fence is appropriate. And we work with industry as well.

And I think everybody, from the Wildlife Federation to industry to Ag and Food and to Environment, are fully conscious of

some of the challenges of making sure domestic herds and wild animals are as healthy as can be, and that our relationship and the collaboration has been very beneficial. So we have a protocol with Ag and Food in terms of the, you know, just of the operation and the safety of animals both outside the fence and inside the fence.

Once the animal is in the pen, then they become the . . . under the jurisdiction of Ag and Food. So again I'll point out that there has been not a wide scale review of the rules and regulations. The relationship we have with industry and with Ag and Food has been beneficial. We have a protocol. We continue speaking, and we're in constant communication. And I think everybody engaged and everybody involved understand that we have to do . . . we have to be very responsible in this whole exercise because the people of Saskatchewan demand, they need to know, that animals inside the fence and outside the fence are healthy as possible. And we'll continue striving towards that goal.

**Mr. Weekes:** — Thank you. In the *Leader-Post*, Thursday, May 22, the Sask Wildlife Federation and the International Federation for Animal Welfare called on the provincial government to ban game farming.

And my next question is, if the minister and the officials know this, I was just wondering . . . questions from the government scientists. Does the government scientists have any evidence of chronic wasting disease be transmitted from a game farm animal, let's use elk, domestic elk to wildlife elk or vice versa? Can it be transmitted between species?

And also is there any evidence of a spontaneous, naturally occurring chronic wasting disease developing in an animal?

**Hon. Mr. Belanger:** — Thank you very much. First of all I want to point out that with chronic wasting disease, there's very little science associated with studying it and understanding what chronic wasting disease is. And in fact, science cannot prove where chronic wasting originated. What we do know is that — and it's well documented — is that scientists have been, through a test-tube process in a controlled environment, has been able to have the chronic wasting disease cross species. So that in a very controlled setting, scientists have been able to do that.

But again one of the most important thing is people should know that the science and research are improving in this particular area. A lot of people are quite concerned and they want to know more about this. So the good news here is that while there's very little science previously, there's a whole heck of a lot of research and new science being found out about this particular challenge of chronic wasting. And you know that's always, on an optimistic note, always very important to point out.

I would point out as well that prudence would suggest that, for example, if you see an animal that doesn't look too healthy, that you don't eat it. Prudence would suggest that in the event that there is chronic wasting in natural herds, that you would thin out the herds. Prudence would suggest that in the event that there is chronic wasting found in a domestic herd, that you'd take the necessary precautions.

So we're being very cautious. We're being very prudent. And hopefully that as time goes on, that we'll begin to eradicate the problem or at least prepare for it. And again, hopefully, science will come across with better information, better technology, perhaps treatment and so on and so forth.

So there's always prudence and there's always optimism. But we are fully aware of the challenges associated with chronic wasting.

**Mr. Weekes:** — Thank you. Has your government in your department and . . . had any discussions with your department and with the Agriculture department concerning, or have any intentions or discussions around banning game farming in Saskatchewan?

**Hon. Mr. Belanger:** — The simple answer is no.

**Mr. Weekes:** — Thank you, Mr. Speaker. I guess going back to what your scientists have been able to supply you for information, as we know in the BSE (bovine spongiform encephalopathy) situation, there is talk of a spontaneous development of BSE. Could you be more specific and do you have any knowledge concerning that possibility?

And why I go back to that, there is . . . Well I believe it's the officials from the Saskatchewan game farm association are stating that there is some evidence that there's possibly 1 per cent of chronic wasting disease or BSE developed spontaneously. Could you elaborate on that? And is that a possibility?

**Hon. Mr. Belanger:** — Thank you very much. I just want to point out that between BSE and chronic wasting, they are not considered a related disease.

In reference to the chronic wasting disease I can point out that there's, again, science cannot prove where CWD originated. And I can point out that we are, we have been in constant communication and constant contacts with the experts of the world in reference to chronic wasting. So when it comes to chronic wasting we can certainly point out to people that we have been diligent and certainly we know that there's an incredible challenge with chronic wasting, and that we'll do all we can to assure people of Saskatchewan that we are aware of the dangers and the challenges.

But we're also aware that there could be some good science that will come out in the future. And we offer people hope that we can resolve this matter by working hard on this angle.

**Mr. Weekes:** — I'd just like to wrap up. I'd just like to thank the minister and your officials. We certainly have many more questions in the Environment area, so we hope that we will have another opportunity to speak to you before this sitting ends.

**Hon. Mr. Belanger:** — Thank you very much, and I want to also thank my officials and report progress.

The committee reported progress.

The Assembly adjourned at 16:58.

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