



SECOND SESSION - TWENTY-SIXTH LEGISLATURE

of the

**Legislative Assembly of Saskatchewan**

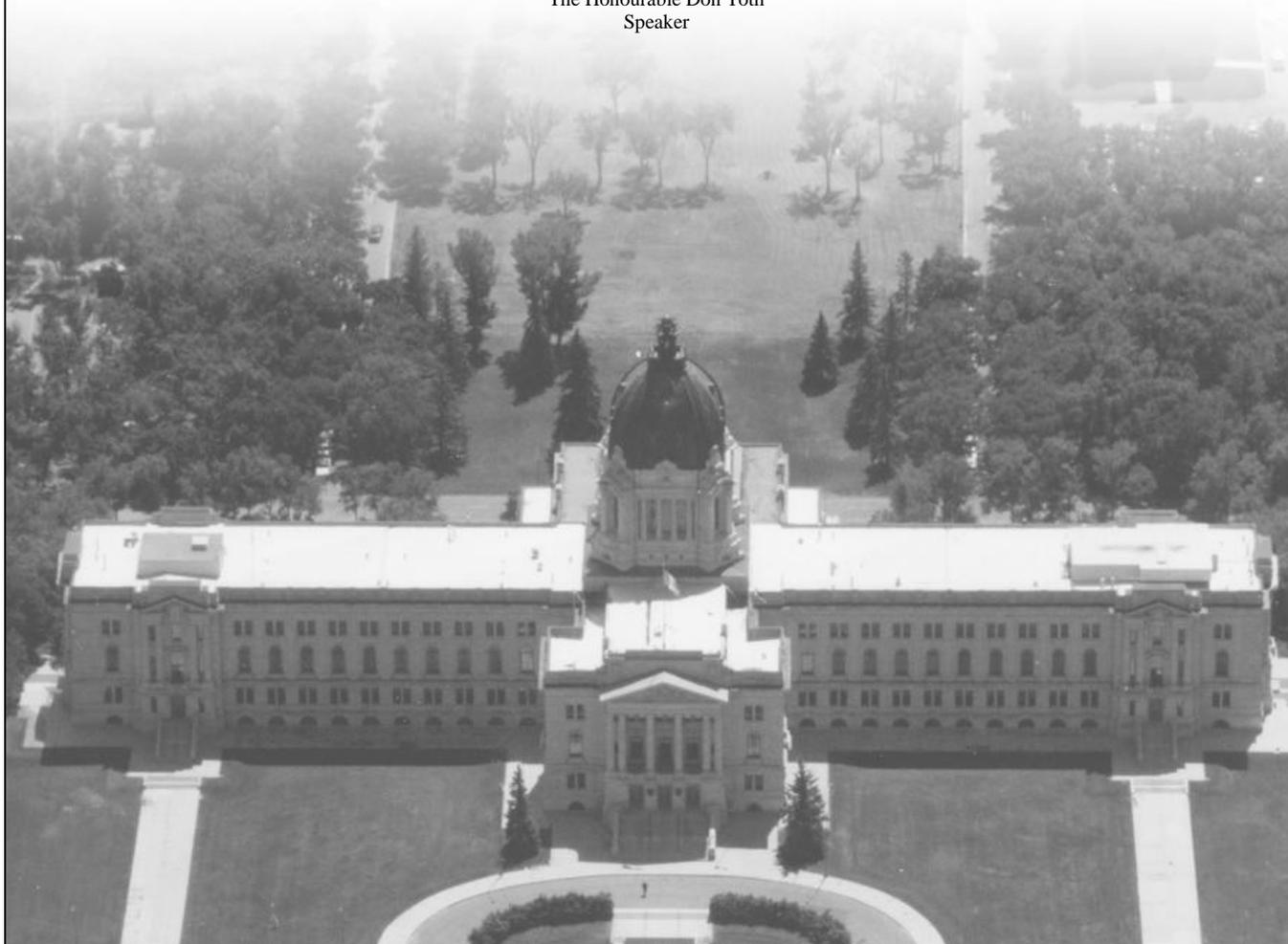
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**DEBATES  
and  
PROCEEDINGS**

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(HANSARD)

Published under the  
authority of  
The Honourable Don Toth  
Speaker



**MEMBERS OF THE LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**

Speaker — Hon. Don Toth  
 Premier — Hon. Brad Wall  
 Leader of the Opposition — Lorne Calvert

<b>Name of Member</b>	<b>Political Affiliation</b>	<b>Constituency</b>
Allchurch, Denis	SP	Rosthern-Shellbrook
Atkinson, Pat	NDP	Saskatoon Nutana
Belanger, Buckley	NDP	Athabasca
Bjornerud, Hon. Bob	SP	Melville-Saltcoats
Boyd, Hon. Bill	SP	Kindersley
Bradshaw, Fred	SP	Carrot River Valley
Brkich, Greg	SP	Arm River-Watrous
Brotten, Cam	NDP	Saskatoon Massey Place
Calvert, Lorne	NDP	Saskatoon Riversdale
Cheveldayoff, Hon. Ken	SP	Saskatoon Silver Springs
Chisholm, Michael	SP	Cut Knife-Turtleford
D'Autremont, Hon. Dan	SP	Cannington
Draude, Hon. June	SP	Kelvington-Wadena
Duncan, Dustin	SP	Weyburn-Big Muddy
Eagles, Doreen	SP	Estevan
Elhard, Hon. Wayne	SP	Cypress Hills
Forbes, David	NDP	Saskatoon Centre
Furber, Darcy	NDP	Prince Albert Northcote
Gantfoer, Hon. Rod	SP	Melfort
Harpauer, Hon. Donna	SP	Humboldt
Harper, Ron	NDP	Regina Northeast
Harrison, Jeremy	SP	Meadow Lake
Hart, Glen	SP	Last Mountain-Touchwood
Heppner, Hon. Nancy	SP	Martensville
Hickie, Hon. Darryl	SP	Prince Albert Carlton
Higgins, Deb	NDP	Moose Jaw Wakamow
Hutchinson, Hon. Bill	SP	Regina South
Huyghebaert, Yogi	SP	Wood River
Iwanchuk, Andy	NDP	Saskatoon Fairview
Junor, Judy	NDP	Saskatoon Eastview
Kirsch, Delbert	SP	Batoche
Krawetz, Hon. Ken	SP	Canora-Pelly
LeClerc, Serge	SP	Saskatoon Northwest
McCall, Warren	NDP	Regina Elphinstone-Centre
McMillan, Tim	SP	Lloydminster
McMorris, Hon. Don	SP	Indian Head-Milestone
Michelson, Warren	SP	Moose Jaw North
Morgan, Hon. Don	SP	Saskatoon Southeast
Morin, Sandra	NDP	Regina Walsh Acres
Nilson, John	NDP	Regina Lakeview
Norris, Hon. Rob	SP	Saskatoon Greystone
Ottenbreit, Greg	SP	Yorkton
Quennell, Frank	NDP	Saskatoon Meewasin
Reiter, Jim	SP	Rosetown-Elrose
Ross, Laura	SP	Regina Qu'Appelle Valley
Schriemer, Joceline	SP	Saskatoon Sutherland
Stewart, Hon. Lyle	SP	Thunder Creek
Taylor, Len	NDP	The Battlefords
Tell, Hon. Christine	SP	Regina Wascana Plains
Toth, Hon. Don	SP	Moosomin
Trew, Kim	NDP	Regina Coronation Park
Van Mulligen, Harry	NDP	Regina Douglas Park
Vermette, Doyle	NDP	Cumberland
Wall, Hon. Brad	SP	Swift Current
Weekes, Randy	SP	Biggar
Wilson, Nadine	SP	Saskatchewan Rivers
Wotherspoon, Trent	NDP	Regina Rosemont
Yates, Kevin	NDP	Regina Dewdney

[The Assembly met at 13:30.]

[Prayers]

## ROUTINE PROCEEDINGS

### INTRODUCTION OF GUESTS

**The Speaker:** — I recognize the Minister of Justice.

**Hon. Mr. Morgan:** — Mr. Speaker, I would like to introduce to you and through you to all members of the Assembly, seated in the west gallery, a young gentleman, Owen William Paul. Owen was born on June 10 of last year. He is seated with his mother, Jessica Paul, who is one of our caucus staff who is on leave right now. Owen's father is Jay Paul and his grandfather is Bill Waiser, a well-known author and historian in our province. And I would to ask all members to join in welcoming Jessica and Owen to their legislature.

**Hon. Members:** — Hear, hear!

### PRESENTING PETITIONS

**The Speaker:** — I recognize the member from Athabasca.

**Mr. Belanger:** — Thank you very much Mr. Speaker. I present a petition and the petition hereby reads:

Wherefore your petitioners humbly pray that your Hon. Legislative Assembly may be pleased to cause the government to pave the 7 kilometres of Highway 135 through the community of Pelican Narrows, as committed to on August 24, 2007.

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

And, Mr. Speaker, the signatures are from the fine people of Pelican Narrows. And I so present.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Saskatoon Fairview.

**Mr. Iwanchuk:** — Mr. Speaker, I'd like to present a petition today in support of indexing minimum wage to counter the cost of the dramatic increase in the cost of living in the province. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Legislative Assembly may be pleased to cause the government to commit to indexing Saskatchewan minimum wage to ensure that the standard of living of minimum wage earners is maintained in the face of the cost of living increases.

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

The petition is signed by residents of Leask, Spiritwood, Saskatoon, Canwood, Leoville, and Birch Hills. I so present.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from The Battlefords.

**Mr. Taylor:** — Thank you very much, Mr. Speaker. I'm pleased today to rise to present a petition in support of the government's policy on green vehicles. Mr. Speaker, the petitioners note that on November 15, the Government Services minister told his convention that government new vehicles should be run as E85 vehicles. Mr. Speaker, the petitioners ask:

... the Legislative Assembly to be pleased to cause the government ministers named earlier in the petition to follow their own platform and government policies and trade in their Jeep Libertys for vehicles that are on SGI's 2008 list of recommended fuel-efficient vehicles.

Mr. Speaker, the petition is signed by residents of The Battlefords and surrounding area.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Saskatoon Massey Place.

**Mr. Broten:** — Thank you, Mr. Speaker. I stand today to present a petition in support of fairness for post-secondary students here in Saskatchewan through the necessary expansion of the graduate retention program. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Legislative Assembly may be pleased to cause the government to immediately expand the graduate retention program to include master's and Ph.D. graduates.

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

Mr. Speaker, the individuals who signed this petition are students from the University of Saskatchewan, University of Regina, as well as a number of health care professionals who have graduate degrees, practising here in the province. I so present.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Cumberland.

**Mr. Vermette:** — Thank you, Mr. Speaker. Mr. Speaker, I rise today to present a petition to support a long-term care facility in La Ronge. The prayer reads as follows:

Wherefore your petitioners will humbly pray that your Hon. Legislative Assembly may be pleased to cause the government to immediately invest in the planning and construction of long-term care beds in La Ronge.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, the petition is signed by the good people of La Ronge and area. I so present.

**Some Hon. Members:** — Hear, hear!

## STATEMENTS BY MEMBERS

**The Speaker:** — I recognize the member from Saskatoon Fairview.

**Perogy Paradise Fundraiser**

**Mr. Iwanchuk:** — Mr. Speaker, on March 14 I had the privilege of attending and being part of Perogy Paradise for the largest perogy smorg in Canada. This event took place just a few minutes outside of Saskatoon at the old Manhattan Ballroom.

Mr. Speaker, this is a fundraising event put on by Nashi, a group of dedicated individuals based in Saskatoon whose goal is to raise awareness of the global issues of human trafficking, particularly of children being lured by those trafficking in the sex trade in Ukraine.

The idea of Perogy Paradise fundraiser was born to help raise money for the construction and renovation of the Klenovi Lyst or Maple Leaf Centre in Stoyaniv, Ukraine. The Klenovi Lyst will act as a safe house and training centre for children at risk.

Mr. Speaker, the event sold out almost immediately, and the 550-plus in attendance were served in excess of 1,100 dozen perogies. Mr. Speaker, all these perogies were made and served by volunteers, and to the joy of many, second and third helpings were available.

Mr. Speaker, this is truly an exceptional and amazing volunteer group, and I ask all members to join me in congratulating all the board members of Nashi for their commitment and dedication to this cause: Andrew Allsopp, Joanne Borys, Carol Cisecki, Savelia Curniski, Marianne Hladun, Betti Lawrence, Iris Lozinsky, Frederica Muranetz, Bev Petruk and all the volunteers of Nashi. Thank you, Mr. Speaker.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Yorkton.

**Cancer Awareness Month**

**Mr. Ottenbreit:** — Thank you, Mr. Speaker. April is Cancer Awareness Month and during this time many initiatives are recognized that not only raise the awareness of the disease, but also advocacy, fundraising efforts, research, and treatments. I'm very encouraged by my government's increased investment in cancer care and medications, and we need to continually recognize those that work and volunteer.

However, we must remember the victims, which goes farther than some would realize. You see, Mr. Speaker, anyone that has helped a loved one fight knows very well the pain and hardship, and the toll that is taken.

I'm certain everyone in this Assembly has been touched by cancer in some way. I personally know many members here have felt the pain first-hand — loss of grandparents, a mother, a father, a husband or a wife, a daughter or a son.

I would like to read a poem from a friend's recent funeral that

reflects this thought:

What about my family?

This cancer is not just my disease, but my whole family's disease!

Why doesn't anyone send them flowers?

Why doesn't anyone write them a card or drop them a note or even call?

Why doesn't anyone ask them how they are doing, or if they are having a bad day?

Everyone seems so concerned and worried about me, but what about my family?

Don't they need care and support, too?

They are with me no matter which direction I travel on this journey.

When I laugh, they laugh!

When I cry, they cry!

What about my family? This is their disease too!

Mr. Speaker, I would encourage everyone to be mindful of all cancer initiatives and to give the support those fighting appreciate and need, not just in April but throughout the year.

Thank you, Mr. Speaker.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member for Moose Jaw Wakamow.

**Moose Jaw Lions Club Fundraiser**

**Ms. Higgins:** — Thank you, Mr. Speaker. Mr. Speaker, the Moose Jaw Lions Club had a successful fundraiser recently in hopes of raising enough money to provide a guide dog to a deserving Saskatchewan person.

A charity dinner and auction of Roughrider memorabilia had the goal of raising \$6,000, but Moose Javians brought out their chequebooks and the club raised an amazing \$12,000.

The 175 diners were joined by 10 current and former Saskatchewan Roughrider players in a relaxed meet-and-greet at the Golden Nugget Centre. The headliner was undoubtedly George Reed, who spoke and took questions from the audience during the evening.

The most admired item or hotly contested item was a round of golf with Mr. Reed, which went for \$3,000. The evening saw 20 items up for auction including everything from a Gainer the Gopher appearance to an art print by Yvette Moore depicting Dave Ridgway's 1989 Grey Cup winning field goal.

As entertaining as the evening was for the guests, it was far more successful in its goal for charity. There will be two fortunate people in the province who will be receiving a Seeing Eye dog because of the Moose Jaw Lions Club hosting this successful event.

Mr. Speaker, I ask all members to join me in thanking the Moose Jaw Lions Club for contributing to Moose Jaw and our province by bringing freedom and mobility to people in need and giving them access to the world. Thank you.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Meadow Lake.

#### Development of the Uranium Industry

**Mr. Harrison:** — Mr. Speaker, Saskatchewan's uranium industry directly and indirectly employs approximately 8,700 people in this province. It's estimated that more than 40 per cent of the workforce in the uranium industry is of Aboriginal descent. More than 50 per cent of those workers live in northern Saskatchewan.

Yet yesterday one of the NDP [New Democratic Party] leadership candidates said that if elected premier, he would put the jobs of all these northern Aboriginals at risk. Indeed he called for the virtual shutdown of the entire uranium industry in this province and said his government would not even consider further value-added development. Such an unprecedented and radical move would have a ruinous financial, social, and emotional impact on the people of northern Saskatchewan.

We know that, when in government, the NDP supported at least the consideration of further value-added opportunities in the uranium sector. Tomorrow members of this Assembly will vote on a motion calling for support to consider further value-added development of Saskatchewan's uranium industry. I call on the members opposite, particularly the members for Cumberland and Athabasca, to do the right thing, quit playing political games with the jobs of northern residents, and support consideration of further development of the uranium industry.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Regina Northeast.

#### Labour Community Service Awards

**Mr. Harper:** — Thank you, Mr. Speaker. Mr. Speaker, on Friday, March 27, I along with the members from Regina Qu'Appelle Valley, the member from Regina Rosemont, the member from Saskatoon Fairview, and the Hon. Ralph Goodale and Councillor Louis Browne, attended the fifth annual Labour Community Service Awards night.

The Labour Community Service Awards are given to those from labour who volunteer their time, effort, and energy to build a better community. They work to improve the social and economic lives of Regina people.

This year's recipient of the Labour Community Service Award was Ms. Wendy Daku. Wendy volunteers wherever help is needed, but she's a mainstay at the Unions of Regina Christmas dinner. The recipient of the Regina & District Award of Distinction was Mr. Chris Banting, who has recently retired after 37 years with RWDSU [Retail, Wholesale and Department Store Union].

Mr. Speaker, I want to congratulate the award recipients for a job well done. I also want to wish success, continued success, to Regina & District Labour Council in continuing their efforts to improve the lives of Regina and Saskatchewan people. Thank

you.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Regina Qu'Appelle Valley.

#### Manufacturing Hall of Fame Inductee

**Ms. Ross:** — Thank you, Mr. Speaker. Last evening in Windsor, Ontario, Mr. Gavin Semple, president and general manager of Brandt Group of Companies, was inducted into the Canadian Manufacturing Hall of Fame. The hall of fame honours excellence in the Canadian manufacturing sector. Mr. Semple was in a prestigious company last night as six outstanding manufacturers with vision, tenacity, were inducted into the hall of fame.

Mr. Speaker, I am proud to say that Gavin Semple is a resident of Regina Qu'Appelle Valley, and I'm also pleased to be able to call him my friend. Mr. Semple has long history with Brandt Industries going back to the early 1970s. Through his guidance and leadership, Brandt has become the largest privately owned company in the province, employing more than 1,200 people in five businesses, headquartered right here in Regina.

Brandt Industries has received several other prestigious awards in the past. For seven consecutive years, Brandt has been named one of Canada's best-managed companies. Brandt was inducted into the Saskatchewan Business Hall of Fame in 2005. The company is a true leader and demonstrates what can be achieved in our province when you combine hard work and dedication. Brandt is truly on the cutting edge in many areas and worthy of our admiration.

Please join me in congratulating Mr. Gavin Semple on the receipt of this national award for manufacturing excellence. Thank you very much.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Cumberland.

#### Don Allen Saskaloppet

**Mr. Vermette:** — Mr. Speaker, Don Allen was a long-time resident of La Ronge. He spent five years as a trapper and outfitter, and in the 1970s, for health reasons, he and his family took up cross-country skiing. Both Don and his family became skiers of considerable talent and renown.

But, Mr. Speaker, what Don Allen is best known for is the Don Allen Saskaloppet. Mr. Speaker, for those who don't know, the Saskaloppet is a huge, annual cross-country skiing event. This year it was held March 7. Mr. Speaker, every year for the last 26 years the Don Allen Saskaloppet has attracted hundreds of skiers to La Ronge — some from as far away as BC [British Columbia] — to ski some of the best cross-country skiing trails in the world.

Mr. Speaker, I of course want to acknowledge the late Don Allen and his family for their invaluable contribution to this event. I also want to acknowledge and thank the event sponsors,

participants, and most of all, all the small army of volunteers who worked so hard this year, as they do every year, to make this 26th annual Don Allen Saskaloppet a success. Thank you.

**Some Hon. Members:** — Hear, hear!

[13:45]

### QUESTION PERIOD

**The Speaker:** — I recognize the member from Regina Coronation Park.

#### SaskPower Rate Increases

**Mr. Trew:** — Mr. Speaker, last night in committee the Minister of Crown Investments Corporation said SaskPower rate increases are going to become a fact of life for Saskatchewan people. He said it's time for SaskPower to start regularizing rate increases. Can the minister confirm today that, at his request, SaskPower rate increases are going to become a regular fact of life for Saskatchewan people?

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Minister Responsible for Crown Corporations.

**Hon. Mr. Cheveldayoff:** — Thank you very much for the question. Mr. Speaker, indeed we had an interesting discussion in committee last night. We talked about future generation challenges in Saskatchewan and opportunities. Saskatchewan has the fastest growing economy in the country. We will need much generation going forward. And to answer the member's question, I would just point to something that the member from Regina Lakeview said, that people will indeed pay more for power to help on the environment.

Mr. Speaker, residents of Saskatchewan know that any generation going forward will be more expensive than the coal that we've been able to burn in the past. That's just the fact of life, Mr. Speaker.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Regina Coronation Park.

**Mr. Trew:** — So, Mr. Speaker, the minister, after 16 months in office, has looked at his crystal ball and determined that power rates have been too low for too long, and Saskatchewan people will now have to pay more. First the minister took away from Saskatchewan people the lowest cost utility reality that was reality for Saskatchewan people. Now the minister is saying put on your helmet, fasten your seatbelt, higher rates are just around the corner. And don't look at your provincial government for any help when the bills get beyond your ability to pay. Simple question, Mr. Speaker: why is the minister so quick to predict regular power rate increases?

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Minister Responsible for

Crown Corporations.

**Hon. Mr. Cheveldayoff:** — Mr. Speaker, all members in this legislature, as most people in Saskatchewan know, the NDP underfunded SaskPower for many, many years. We have an infrastructure deficit, Mr. Speaker. We have one in highways. We have one in hospitals. We have one with schools. And yes, we have one with Crown corporations in our province.

Mr. Speaker, the NDP did not plan for growth, whether it was to deal with the economy, whether it was to deal with the Crown corporation — SaskPower in this instance. Mr. Speaker, we will be ready for growth. We are preparing for growth, and SaskPower will be able to meet those challenges going forward.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Regina Coronation Park.

**Mr. Trew:** — Well, Mr. Speaker, last night the minister said he expects the growth in the user base to cover some of the growing costs at SaskPower — growing costs led by growing borrowing costs for megaproject infrastructure plans of the Sask Party. Private sector forecasters are saying Saskatchewan's GDP [gross domestic product] growth this year will be little more than one-half of one per cent. Some forecasters are saying no growth at all this year.

Can the minister tell us what his SaskPower growth projections are respecting power electrical use for the coming year and the coming years? And while he's at it, why is it that the Sask Party is so determined that all the major private sector forecasters are so wrong?

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Minister Responsible for Crown Corporations.

**Hon. Mr. Cheveldayoff:** — Well, Mr. Speaker, I'm a little surprised at that line of questioning. I'll provide a little update for the member opposite. Conference Board of Canada, Monday this week. Number one city in economic growth in the country — my city, the largest city in Saskatchewan, Saskatoon.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Cheveldayoff:** — Number two, Mr. Speaker, number two city in Canada. Number two for growth — the city that we are in today, the city of Regina, Mr. Speaker.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Cheveldayoff:** — Number one for growth as a province in the country, Mr. Speaker — the province of Saskatchewan.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Cheveldayoff:** — Mr. Speaker, I've said in this legislature before, we will look at all options for growth. We

will look at all options to ensure that we have the electrical generation needed to power the most aggressive, robust economy in the country, Mr. Speaker.

We go back to 2002 and Kyoto. The NDP had no plan beyond that. They again wrapped themselves in the flag of things like Kyoto. They . . .

**The Speaker:** — Minister's time has elapsed.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Saskatoon Massey Place.

### Employment Trends

**Mr. Broten:** — Mr. Speaker, the Premier tells workers in other parts of Canada that Saskatchewan is unaffected by the global economic crisis, but since December more than 3,000 workers and their families have lost their jobs — three-quarters of them in communities outside Regina and Saskatoon. For example: Babcock & Wilcox in Melville, 43 employees; Agrium in Vanscoy, 300 employees; Mosaic potash in Esterhazy and Colonsay, 1,000 employees; PotashCorp in Lanigan, Rocanville, and Allan, 940 employees; not to mention the 1,500 forestry workers currently out of a job — all from communities outside the major cities.

To the minister: why has he not invested the same time and money in helping these Saskatchewan families as he has in recruiting others to move here?

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Minister of Highways.

**Hon. Mr. Elhard:** — Thank you, Mr. Speaker. That's an interesting question. And I think the people on this side of the House are fully aware that as a province we're not immune to the vagaries of the market. There are people who unfortunately have suffered job losses. We're sympathetic. We understand the importance of having a job.

But, Mr. Speaker, this is also a province of great opportunity. There are still 6,500 jobs on the Jobs First Saskatchewan website going begging, and we are looking at employment opportunities all around the province for very specialized skills. That's why we have a recruitment fair happening in Toronto; that's why we're participants there.

But in the meantime, Mr. Speaker, we are dealing with people who are suffering job loss in this province. We've provided a variety of integrated services to job seekers. We're providing assistance with the resumé's. We have advice to where to look for jobs. We have jobs that are available, the job listing available in local communities. There's career counselling, and we're making referrals to our CBO [community-based organization] partners. We are taking a very proactive position when it comes to helping those people who have lost their jobs.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Saskatoon Massey Place.

**Mr. Broten:** — They can pull out the Stephen Harper sympathy card if they want, but that doesn't affect the reality for people here in Saskatchewan. Saskatchewan may have more job vacancies than other provinces, but that doesn't mean that these jobs are necessarily the right fit or the right salary for the thousands of laid-off workers and new grads entering the workforce.

A quick scan of saskjobs.ca will show anyone looking for work that some sectors have very few postings. And many of the jobs posted are for part-time, casual, or summer employment.

To the minister: will he admit that he has no plan to help laid-off Saskatchewan workers and recent grads find jobs that match their experience, their education, and their income needs?

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Provincial Secretary.

**Hon. Mr. Elhard:** — Mr. Speaker, the situation the member opposite just described would happen whether we were in a hot economy or a slowing economy. Not every job has qualified candidates to match. Not every qualified candidate can find a job he wants or she wants at the time they're looking. But as a whole, Mr. Speaker, our province is the best place to be looking for work. If you've just lost your job, there are job opportunities to be had here. And for those who are having a little more struggle with finding new employment, our government is offering all kinds of services to assist those individuals during this difficult time period.

But, Mr. Speaker, I'd like to remind that member that finding a job in Saskatchewan would be a preferable exercise as opposed to anywhere else in Canada, not to mention any place else in the United States right now. Our unemployment claims are the lowest in Canada. There are other jurisdictions that are seeing huge increases in unemployment claims, and our statistics in Saskatchewan are the lowest in the nation. We're very proud of that reality.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Saskatoon Massey Place.

**Mr. Broten:** — Mr. Speaker, many of the laid-off workers in communities like Lanigan, Vanscoy, and Rocanville, or in Big River, Hudson Bay, Carrot River, and Meadow Lake are challenged to find adequate employment in their home communities.

Mr. Speaker, in times of economic uncertainty, social and family ties are more important than ever. As loved ones are forced to move or commute long distances to make ends meet, families are put under stress. In times of economic uncertainty, rural communities are especially hard hit.

To the minister: why has he forgotten about the Saskatchewan families, especially the rural families already living here who

are unable to find a suitable job?

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Provincial Secretary.

**Hon. Mr. Elhard:** — Well, Mr. Speaker, it's simply unfair and inaccurate to say that we've forgotten about those people. Those are the very people that we care about the most. They're the people that live in our constituencies, by and large. They're the people that make our communities a vibrant and active place and a very enjoyable place to reside. Those are the people who vote for us. Mr. Speaker, those are the people who have our full attention.

I just read off a list of the activities that our government is undertaking to support those very people who lost their jobs. But I want to remind that member, that if you are out of work, there's no place better to be than Saskatchewan. Not only do we assist in finding new employment opportunities, there actually are employment opportunities here in this province.

Mr. Speaker, I can identify one situation in the city of Swift Current in particular. The new Living Sky Casino there is desperately looking to hire people. They can't find enough people to make that casino operate to the level of First Nations employment that they would ordinarily like to have. They are actively seeking people.

There are job opportunities everywhere in this province, and we're here to support their undertaking.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Saskatoon Nutana.

**Ms. Atkinson:** — Mr. Speaker, a story on CBC [Canadian Broadcasting Corporation] radio this morning indicated that the Sask Party is in Ontario trying to entice students and workers with promises of jobs in potash, oil and gas, and uranium. That same story noted the hundreds of layoffs in those sectors in recent months, and the fact that there are only six jobs in the oil and gas sector posted yesterday on the saskjobs.ca website.

My question to the minister is this: why would you be in Ontario talking about jobs in these sectors when there are only six jobs posted on the website?

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Provincial Secretary.

**Hon. Mr. Elhard:** — Well, Mr. Speaker, I presume the assumption is that we are in Ontario recruiting workers for the oil and gas industry. Mr. Speaker, if there's only six jobs there, I think we'll fill them locally. But there are many other jobs, literally thousands of jobs in this province, going begging right now. If that wasn't the case, Mr. Speaker, we wouldn't have 23 private sector companies leading an initiative to the job fair in Ontario.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Elhard:** — The fact of the matter is that this initiative was undertaken by the private sector to help fill their needs. This particular exercise, Mr. Speaker, was very successful previously. We had a number of job applicants come to Saskatchewan and find full-time employment. We're very pleased with that. But you know what, there's room for many more. People from all across the country understand that this is the province to be to find good employment.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Saskatoon Nutana.

**Ms. Atkinson:** — Mr. Speaker, Saskatchewan people looking for work are speaking out on websites across the province. A sampling, and I want to quote: "I've been trying to pick up a part-time job to supplement my income. Every time I've applied every place I've applied tells me they've received hundreds of resumes." "Saskatchewan is not the gold mine Wall is trying to make it sound like." "The mines are laying people off like crazy."

To the minister: when is the Sask Party going to listen to the voices of people living in the real economy who are telling him that there is a problem?

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Provincial Secretary.

**Hon. Mr. Elhard:** — Well, Mr. Speaker, if there is such doom and gloom prevailing over the province of Saskatchewan, if there's a big, black cloud hanging over us, that would beg the question: why did 14,500 additional people come to this province last year?

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Elhard:** — Mr. Speaker, I'm quite surprised they could find their way through all the gloom and doom that prevails in this province, that big, black cloud hanging over us.

Mr. Speaker, they might believe that, but the people on this side of the House do not. We believe Saskatchewan is a land of opportunity, that our future is bright, and that when we get over this bit of a hump, we are going to see such exceptional growth we will be the envy of the entire nation, bar none.

**Some Hon. Members:** — Hear, hear!

[14:00]

**The Speaker:** — I recognize the member from Saskatoon Nutana.

### Cost of Living

**Ms. Atkinson:** — Well, Mr. Speaker, I do note that we have had significant population growth in the last two years. But we also note, we also note . . .

**Some Hon. Members:** — Hear, hear!

**Ms. Atkinson:** — I do note that there were about fourteen and a half thousand people that moved to the province in 2007, and I think that would be the last year of the NDP government. Now, Mr. Speaker, an important ingredient in Saskatchewan's growth in recent years has been the affordable cost of living in this province. But another comment pointed to how this has changed under the Sask Party, and I quote:

Before moving to Saskatchewan, anyone would be well advised to do some thorough research into the cost and availability of both rental housing and real estate for sale because these costs have risen dramatically and are getting actually quite ridiculous when compared to average wages. Be also advised that utility rates and property taxes around here are not even close to being the lowest in the country.

To the minister: when is the Sask Party going to address real issues like the cost of rising utility rates in order to make Saskatchewan an affordable place to live, work, and raise a family?

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Provincial Secretary.

**Hon. Mr. Elhard:** — Well, Mr. Speaker, this question is so typical of the NDP. You know, they'd rather go back to a declining population when 35,000 people left the province, when house prices were collapsing, when you couldn't hardly give a home in rural Saskatchewan away to anybody because there was nobody coming to occupy it. They'd rather have it at a plateau or descending into the depths of despair. That's the vision they have. They're constantly looking backwards.

This government is looking forward. The people of this province are looking forward. That's why this party won the election. That's why our support in rural Saskatchewan, urban Saskatchewan, northern Saskatchewan is growing. Because they see vision and leadership here, and a government that cares about these issues.

Mr. Speaker, the costs might be going up, but the programs this government has introduced have made living in Saskatchewan really more affordable across the board.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Leader of the Opposition.

#### Uranium Development Partnership

**Mr. Calvert:** — Mr. Speaker, my question will be for the Minister for Enterprise Saskatchewan. The minister has made it very clear in this House and again with the press that a consulting firm was hired to assist the Uranium Development Partnership in producing their report. Mr. Speaker, we know, again from the minister, that \$3 million has been budgeted for the project of the UDP [Uranium Development Partnership]. He has also said that the lion's share of the money will go to the consulting firm.

So my question, on behalf of the taxpayer of Saskatchewan. Is

the majority of this money going to the consulting firm? Who is the consulting firm? How much are they being paid? When did they begin their work? And will the public of Saskatchewan see the entire report that is provided by the consulting firm to the UDP?

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Minister Responsible for Enterprise and Innovation.

**Hon. Mr. Stewart:** — Thank you, Mr. Speaker. And I thank the member for that series of questions; I hope I can remember them all.

The consulting firm is Mackenzie and Associates. The cost is not \$3 million, as I had stated incorrectly. Although 3 million were budgeted for that, it's considerably less, under 2.5 total. Oh the members laugh at that, Mr. Speaker. They don't think half a million dollars is a significant saving. Perhaps that's why they had such issues with balancing the budget.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Leader of the Opposition.

**Mr. Calvert:** — Well, Mr. Speaker, I'll give the minister another chance. I know it was a number of questions. When did the work of this consultant begin? When did the work of the consultant begin? We'd like to know the answer to that question.

Mr. Speaker, you see, the problem here is that the government established a terms of reference, a request for proposals for this consulting firm. The government put together a request for proposal for this consulting firm. Now I have a copy of it here, Mr. Speaker, again obtained through freedom of information. But guess what, Mr. Speaker. As soon as I open it, what do I begin to see? Blacked out. Blacked out. Blacked out. Where is the transparency?

Will the minister, as he did yesterday, provide the complete request for proposals that was handed out by his government to secure this consulting firm? Will he today produce the complete document?

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Minister Responsible for Enterprise and Innovation.

**Hon. Mr. Stewart:** — Thank you, Mr. Speaker, and I thank the member for those questions as well. I'll say this, Mr. Speaker, that we will be providing the UDP report in its entirety to the public. And at this point, I don't see anything to be gained by revealing the details of a contract between this government and Mackenzie and company.

And I can hardly wait, Mr. Speaker, to reveal the entire UDP report to the public and to the media on Friday. And that member, I'm sure, will be interested — although I don't know what he'll talk about in question period after that.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Leader of the Opposition.

**Mr. Calvert:** — Mr. Speaker, in this RFP [request for proposal] put together by this government, this RFP claims to state the statement of intent for this consulting operation, the proposed project structure, the proposed deliverables, and the timelines — all of which are blocked out, blacked out.

Mr. Speaker, my question again is to the minister: will he reveal the entirety of this RFP that was used to choose this consultant? Will he do as he did yesterday and make the entire document public?

You know, yesterday, Mr. Speaker, I found sentences that were excluded from public attention. Today we find paragraphs that are being hidden from public attention. What is this government trying to hide?

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Minister Responsible for Enterprise and Innovation.

**Hon. Mr. Stewart:** — Thank you, Mr. Speaker. And I know that that member understands cabinet rules because once upon a time he was there. And it's a vivid memory still and burned into the minds of the people of Saskatchewan, that time period that he was there, Mr. Speaker. And not a happy memory it was. It was a time of doom and gloom. And the fact is that member fully understands cabinet rules, and references in documents of that nature that refer to cabinet and cabinet decisions will be, are, and always have been blacked out.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Leader of the Opposition.

**Mr. Calvert:** — You know, Mr. Speaker, this is not a cabinet document. This was a request for proposals to put a consultant together with the Uranium Development Partnership. It's not a cabinet document. It seeks to set out the terms of reference, the purpose, the deliverables, Mr. Speaker, and timelines. Why in the world would the government not want the people of Saskatchewan, who are paying — we learned today — \$2.5 million for this work, why should the taxpayers who are funding this \$2.5 million project not be told even the simple thing, what are the deliverables that government is asking for?

I'm going to ask the minister again: will he reveal the entire RFP to the people of Saskatchewan?

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Minister Responsible for Enterprise and Innovation.

**Hon. Mr. Stewart:** — That member fully understands the rules regarding cabinet and documents that are available to the opposition and to the public. But I will undertake this, Mr. Speaker: I'll undertake to review that document, and if there are parts of it that have been erroneously blacked out, I will make

those available to that member.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Leader of the Opposition.

**Mr. Calvert:** — Mr. Speaker, I would presume that before this document was made public, the minister has already reviewed it. If he hasn't, then that's a serious question all of its own. If he's already reviewed it once and blacked it all out, what is it that he will do today that changes his mind? Well I hope he does change his mind.

Mr. Speaker, this minister and this government want the people of Saskatchewan to believe that the Uranium Development Partnership is somehow an objective, fair body. Well, Mr. Speaker, then perhaps the minister can answer this question. According to freedom of information, to the minutes of the only meeting we know about in 2008, Mr. Speaker, the minister responsible indicates that members of the committee are invited to attend to a nuclear reactor for a tour.

Well my question to the minister was: are they invited to tour a medical isotope facility? Have they been invited, and did they tour a refinery? We also learned from those minutes, Mr. Speaker, that the committee was instructed to read a book, a very pro-nuclear development book. How can the minister suggest that this kind of a process is fair and objective?

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the Minister Responsible for Enterprise and Innovation.

**Hon. Mr. Stewart:** — Thank you, Mr. Speaker. And the member's reference to the members of the UDP and their integrity are demeaning to say the least. This absolutely is a blue-ribbon panel, put together of Saskatchewan people of the highest level of integrity, Mr. Speaker.

And I wonder which members of that panel that that member takes issue with, Mr. Speaker. Is it our First Nations representatives on that panel? Is that what it is, member? I wonder if it's the First Nations representative. Is it our urban municipalities representative that he has a problem with? Is that it? Is it the rural municipal officials that he has a problem with, Mr. Speaker? Well who is it? Why is it that that member can't show some respect to this committee?

**Some Hon. Members:** — Hear, hear!

#### MINISTERIAL STATEMENTS

**The Speaker:** — I recognize the Minister Responsible for Government Services.

#### U-Brew and U-Vin Available in Saskatchewan

**Hon. Mr. D'Autremont:** — Thank you, Mr. Speaker. I am pleased today to announce that businesses can now offer U-brew and U-vin services across the province.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. D'Autremont:** — The introduction of this new type of liquor permit is just one of the many changes to provincial liquor regulations that take effect today. U-brew and U-vin operations offer supplies, space, equipment, and expertise to customers who want to make their own wine and beer on site in the store rather than in their own home.

It's a new opportunity for businesses across this province and one I think that many Saskatchewan citizens will be excited about. It will allow aficionados and neophytes alike to take advantage of the expertise available at these new U-vin and U-brew operations.

Another change to the province's liquor regulation is the introduction of wine recorking in Saskatchewan. All liquor-permitted establishments will sell wine by the bottle, will now be required to recork unfinished wine bottles if requested by the customer. This new initiative will encourage responsible consumption because customers who are out at their local restaurant or bar will have the option to buy wine by the bottle but won't feel compelled to finish the bottle before leaving the establishment.

Still another change that many Saskatchewan residents will welcome is a new permit to allow businesses to offer home delivery of beverage alcohol. Home delivery offers an option to customers who may not be able to get to an SLGA [Saskatchewan Liquor and Gaming Authority] liquor store, off-sale, or franchise to make their purchases.

Current liquor permittees such as off-sale outlets and liquor franchises or other businesses may apply for this new home delivery permit. It's a simple concept. Customers call the delivery company, order their products, and later that day the order is delivered to their homes. As with other types of liquor service in the province, customers must be of legal drinking age to purchase the alcohol. It will be up to the delivery service to ensure proper identification so that no minors are buying beverage alcohol.

There's also a number of other changes that take effect today. Liquor permittees will face increased fines and penalties for matters regarding public safety such as serving minors, overserving, or overcrowding. There were also amendments made to the operating rules such as the hours of operations that bars and other liquor-permitted establishments must remain open. The new rules allow more flexibility for these businesses to determine what hours are appropriate for their particular business.

Similarly there were other small changes made in other areas, like minimum production requirements for brew pubs and extending the hours for special occasion permits from 8 to 12 hours. All current liquor permittees, restaurants, bars, pool halls, brew pubs, and others will receive information about these changes by letter in the coming days. The information is also available online at [www.slga.gov.sk.ca](http://www.slga.gov.sk.ca).

[14:15]

The intent behind all of these changes, big and small, was to reduce unnecessary red tape, give businesses more flexibility in their current operations, and present more opportunities for

business that may want to expand their operations. There are also a number of changes expanding social responsibility to those who sell or consume beverage alcohol. This has been one of my main priorities since becoming Minister Responsible for Liquor and Gaming.

The review of existing regulations, consultations with all the various stakeholders, and development of all of these changes has been a lengthy process. I think consumers, existing permittees, as well as other interested business people will be happy with the changes. Thank you, Mr. Speaker.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Moose Jaw Wakamow.

**Ms. Higgins:** — Thank you very much, Mr. Speaker. And I'd like to thank the minister for sending across a copy of his statement so I could review it and have a look at it before it was presented here in the House.

Very pleased to be able to offer some comments. Mr. Speaker, when the minister said that this has been his main priority since he was appointed Minister of SLGA, that's been 16 months. And most of these regulations had been, the work on them had been done in the year and a half previous to that.

So other than the U-brew and U-vin operations that offer supplies, space, equipment, and experience to customers, that is a new addition to what had been previously approved. But, Mr. Speaker, it had been turned down because there hasn't been a big uptake in other provinces across Canada of this program. And there has been a number of concerns over whether it is you are able to enforce the regulations that are in place and how successful they actually are. So, Mr. Speaker, we'll have a look at that and we'll have to keep an eye on it and see how it progresses.

But there are a couple of good things that have been done in these regulations and I have to say the wine recorking is a very good step, encouraging responsible consumption. Patrons should by no means be under any type of feeling there, the need to finish a bottle of wine that they have bought with the supper or a dinner when they are out for the evening. So the recorking and the ability to take home unfinished bottles is a very good move. It's extremely low cost when it comes to any requirements that are put on any of the restaurants, and it truly is a good change.

The business to offer home delivery or allowing businesses to apply for permits to offer home delivery of beverage alcohol does raise some concerns over adequate enforcement. Now the minister has said that there has been ample regulations put in place and the social responsibility aspect of it has been looked after and addressed, and we're hoping that that's accurate. And also I guess I would have some questions on the quantity that can just be ordered over the phone and delivered to your home.

There's a couple of things. We'll have to go through the regulations in more detail to see what's stated in there, and if not, I may have to ask the minister a few questions. Home delivery though does raise a number of red flags for a number

of groups.

Mr. Speaker, there is a number of other things that are being done. Many of them are housekeeping. Liquor and gaming regulations need to be updated on an ongoing basis, so we are pleased to see this piece finally move ahead. And I have to say the brew pub piece where you're changing the minimum production requirements, that will be a good move and will be well received in a number of areas across the province with one exception. I guess there will be a need for the minister and his officials within SLGA to make sure that the new regulations are enforced.

The changes to the special occasion permits will be well received by many. I think, all in all, Mr. Speaker, there's some pretty good changes. A couple that we will have to keep our eye on and see how they do work in cities across the province. But overall I'm very pleased to make some comments on the new regulations, and we'll just keep our eye on them in the coming years. Thank you.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the minister of municipal government.

#### Property Assessment Information Website

**Hon. Mr. Hutchinson:** — Mr. Speaker, I rise to inform members of the House that as of March 31 of this year, Saskatchewan communities and taxpayers were provided with access to a new website designed to help people access assessment information for their properties. The Saskatchewan Assessment Management Agency, or SAMA, announced the introduction of a new website called SAMAView.

SAMAView allows the general public access to individual property assessment information for all SAMA client jurisdictions. This website visually presents assessment information using easy-to-understand maps.

Mr. Speaker, easily accessible property assessment information is especially important to the public during a revaluation year such as 2009. SAMAView gives the public a tool to independently gather specific information without having to contact municipal or agency offices.

It's important for taxpayers to remember that assessments do not reflect individual selling prices, but typical property values for the 2006 base year. However valuation accuracy depends upon the information SAMA has about each property. Owners will be able to easily verify the information SAMA has used to determine the assessed value. If an error is detected, owners are asked to contact their SAMA regional office to update their property identification and information.

SAMAView provides two ways to search individual properties. First, through a text-based property search based on jurisdiction and assessment ID [identification] number, legal land description, street name, condominium unit, or civic address. And two, a map-based search based on SAMA assessment property layer maps. The text-based search is recommended for those with a dial-up Internet access.

Mr. Speaker, property information with supporting photography includes mixed use, agricultural land, residential, condominium, commercial, elevator, railway, and pipeline classifications.

The site provides links to other websites, such as the ministries of Municipal Affairs and Education, independent jurisdictions, and contracted service providers. To access SAMAView, I would encourage people to go to [www.sama.sk.ca](http://www.sama.sk.ca) and click on the SAMAView logo on the home page.

Mr. Speaker, our government is working to provide the people of Saskatchewan with information to assist their understanding of the assessment system. That announcement furthers our commitment to an assessment system that supports a growing economy. Thank you, Mr. Speaker.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Moose Jaw Wakamow.

**Ms. Higgins:** — Thank you very much, Mr. Speaker. Thank you very much to the minister for sending across his statement. Mr. Speaker, with the access that Saskatchewan residents have to Internet — being one of the most wired jurisdictions anywhere in North America — it is an improvement and definitely a step forward to have SAMA have more information online and have accessible for people right across the province.

To try and understand, SAMA can be pretty difficult and challenging to understand how our assessment works, and I'm sure SAMA has received a fair number of questions this year with reassessment. And with notices being mailed out over the past little while in many of the municipalities, I'm sure there will be more questions. But the more information that's online, the easy access to that information is the right step forward. It's the appropriate way to move and I'm sure many citizens across the province will be very pleased with the information that's here and I'm sure we will only see improvements in the coming years on the SAMAView website. Thank you very much and thanks to the minister.

**Some Hon. Members:** — Hear, hear!

#### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

**The Speaker:** — I recognize the Chair of the Crown and Central Agencies Committee.

##### Standing Committee on Crown and Central Agencies

**Mr. Duncan:** — Mr. Speaker, I'm instructed by the Standing Committee on Crown and Central Agencies to report Bill No. 57, *The Land Titles Amendment Act, 2008* without amendment.

**The Speaker:** — The Chair of the Standing Committee on Crown and Central Agencies has been instructed to move Bill No. 57, *The Land Titles Amendment Act, 2008* without amendment. Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Agreed. When shall this Bill be read a third time? I recognize the Minister Responsible for Crown Corporations.

**Hon. Mr. Cheveldayoff:** — Thank you, Mr. Speaker. I request leave to waive consideration in Committee of the Whole on this Bill, and that this Bill now be read a third time.

**The Speaker:** — The minister has asked for leave to waive consideration in Committee of the Whole. Is leave granted?

**Some Hon. Members:** — Agreed.

**The Speaker:** — The minister may move third reading.

### THIRD READINGS

#### Bill No. 57 — *The Land Titles Amendment Act, 2008*

**Hon. Mr. Cheveldayoff:** — Thank you, Mr. Speaker. I move that this Bill now be read a third time and passed under its title.

**The Speaker:** — The Minister of Crown Corporations has moved that Bill No. 57, *The Land Titles Amendment Act, 2008* be now read a third time and passed under its title. Is the Assembly ready for the question?

**Some Hon. Members:** — Question.

**The Speaker:** — Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Agreed. Carried.

**Law Clerk and Parliamentary Counsel:** — Third reading of this Bill.

### ORDERS OF THE DAY

#### WRITTEN QUESTIONS

**The Speaker:** — I recognize the Government Whip.

**Mr. Weekes:** — Thank you, Mr. Speaker. I wish to table the answers to questions 327 and 328.

**The Speaker:** — The answers to questions 327 and 328 tabled.

### GOVERNMENT ORDERS

#### SECOND READINGS

#### Bill No. 84 — *The Labour-sponsored Venture Capital Corporations Amendment Act, 2009*

**The Speaker:** — I recognize the Minister Responsible for Enterprise and Innovation.

**Hon. Mr. Stewart:** — Thank you, Mr. Speaker. Mr. Speaker, I'm pleased to present to the House for second reading *The Labour-sponsored Venture Capital Corporations Amendment*

*Act, 2009.*

As the members of this House are well aware, the Invest in Saskatchewan program encourages Saskatchewan employees and individuals to invest in funds or pools of capital called labour-sponsored venture capital corporations. These corporations invest in Saskatchewan-based, small- and medium-sized businesses. The objective is to encourage the residents of this province to make equity investments in small- and medium-sized, Saskatchewan-based businesses.

This will accomplish several things, Mr. Speaker. It will create and maintain jobs. More than that, it will encourage long-term investment in local communities which reinforces one of the foundations of our province. It will also strengthen the provincial economy by providing venture capital to Saskatchewan companies to assist with their growth and development.

This venture capital will be of vital importance in the near future as the global economy stabilizes itself and regains its footing after the recent turmoil that we have seen, Mr. Speaker. And over the longer term this program will build a lasting and productive relationship between labour, business, and government to the benefit of this province.

The amendments in this Bill relate to the differential tax treatment provided to federally and provincially registered funds in the program. The proposed changes will increase the provincial tax credit for federally registered funds from 15 per cent on the first \$3,500 invested to 20 per cent on the first 5,000 invested per investor per year, Mr. Speaker.

These changes will increase the fairness of the choices open to investors. It will provide options which are more equitable and which remove a potential disparity between the available funds. We feel these amendments are in the best interests of the Invest in Saskatchewan program, of the current and future provincial economy, and of the people of this province.

Mr. Speaker, I move for second reading of *The Labour-sponsored Venture Capital Corporations Amendment Act, 2009.*

**The Speaker:** — The Minister Responsible for Enterprise and Innovation has moved second reading of Bill No. 84, *The Labour-sponsored Venture Capital Corporations Amendment Act, 2009.* Is the Assembly ready for the question? I recognize the member from The Battlefords.

**Mr. Taylor:** — Thank you very much, Mr. Speaker. I am pleased today to rise to speak at second reading of Bill No. 84, *An Act to Amend the Labour-sponsored Venture Capital Corporations Act* and, Mr. Speaker, I appreciate the explanation provided by the Minister of Enterprise and Innovation just a few moments ago, an explanation that outlined the reasons behind this Bill.

Now, Mr. Speaker, before taking a look at the specific provisions in this Bill, I think it is important that the members of this Assembly and the members of the public who are watching or who read this debate at some point later, Mr. Speaker, understand that Saskatchewan's had the

labour-sponsored venture capital corporations doing business in this province for quite some time. In fact, Mr. Speaker, we have a couple of funds that are doing extraordinarily well, have indeed provided Saskatchewan residents with benefits that are not only personal through their investments, but also indirectly through their investments in the province. Mr. Speaker, the minister in his explanation indicated that indeed labour-sponsored venture capital corporations do in fact create and maintain jobs in this province, and, Mr. Speaker, they provide venture capital to Saskatchewan companies. And I think, Mr. Speaker, that's the key. Those are the key reasons why these funds were supported in this province both by government and by individuals who are investing.

[14:30]

Mr. Speaker, one of the main reasons why people invest is of course personal. There is a tremendous tax credit, tremendous tax advantage, of putting hard-earned Saskatchewan tax dollars into a labour-sponsored venture capital corporation, Mr. Speaker, not to mention the possibilities of growth or return. But by and large financial planners and others who promote labour-sponsored venture capital funds in this province, Mr. Speaker, promote these funds primarily as their upfront tax benefit for individuals.

The broad benefit, Mr. Speaker, is that the funds raised then go to work for Saskatchewan people in the Saskatchewan economy. They do create jobs because there's venture capital provided to Saskatchewan firms. And, Mr. Speaker, as those firms become successful they provide a return to the fund, and that fund then returns a financial benefit to their fund holders — shareholders if I can use that term, Mr. Speaker.

Labour-sponsored venture capital corporations have been a part of the Saskatchewan economy, the Saskatchewan way of doing business, Mr. Speaker, for quite some time. And we continue to support the corporations, Mr. Speaker, and indeed we want to ensure that any legislation or regulation serves the three interests: the interests of the fund, the interests of the subscribers to that fund, and the interests to the corporate beneficiaries of that fund, those who would receive the venture capital.

So, Mr. Speaker, when we reviewed this legislation, we are reviewing legislation that contributes to job creation — a lot of it in rural Saskatchewan, Mr. Speaker — that contributes to the wealth and well-being of Saskatchewan people who have taken hard-earned, tax-paid dollars and invested them in one of these funds in Saskatchewan.

And, Mr. Speaker, there are some individuals who have taken considerable, personal risk over the years in order to ensure that the funds operating in this province are successful. A lot of hours, a lot of sweat, and a lot of commitment not only to the success of the fund, but the success of the companies that are supported by the fund, Mr. Speaker. So when we review this legislation, the goal is to ensure that when the government is moving to make any changes that it is not negatively impacting either the funds or the contributors or the beneficiaries of that fund.

So, Mr. Speaker, what this legislation does, as it was described

by the minister in his explanation is for all intents and purposes, it mimics what the federal government has done with regards to labour-sponsored venture capital corporations and, Mr. Speaker, it would encourage funds that are currently registered federally that operate outside Saskatchewan to in fact sell their product here in Saskatchewan. That's what it seems to be.

So, Mr. Speaker, one of the concerns that we have on reading the legislation based on, well on reading the legislation without the opportunity to have asked a lot of questions at this point . . . I think the public should know this legislation was introduced just a few days ago, Mr. Speaker. So we're debating this here today with very little time for consultation at this point. But, Mr. Speaker, a couple of things come to mind.

The first and foremost of this is there is a pool of money sitting in Saskatchewan that finds investing in a labour-sponsored venture capital corporation acceptable. Not all Saskatchewan residents find the level of risk to be within their tolerance level, Mr. Speaker.

There is a pool of money — probably a defined amount, the labour-sponsored capital funds could tell you what that is on an annual basis — where the individual investor's tolerance to risk level, Mr. Speaker, is high enough to make this an acceptable investment in their portfolio. It isn't for everybody, Mr. Speaker, because there is an element of risk here. That having been said, that pool of money, Mr. Speaker, the corporations would say, has a ceiling on it on an annual basis. So if we expand the number of funds to which that pool could eventually go to, we could diminish the amount of money that the funds registered and operating in Saskatchewan have because the pool is now divided out among a greater number of funds.

The other thing that we want to be very certain of, Mr. Speaker, that when funds registered nationally are now able to receive investments from Saskatchewan and the tax credit applied in Saskatchewan, Mr. Speaker, when that happens we want to ensure that the funds that are registered nationally will have some requirement to actually invest in those types of businesses operating inside Saskatchewan, Mr. Speaker, so that Saskatchewan money continues to serve the interests of Saskatchewan people. In other words, the businesses that are the recipients of venture capital, primarily again, Mr. Speaker, in rural Saskatchewan where a considerable number of the companies currently funded through Saskatchewan's venture capital corporations are located.

So our concern, Mr. Speaker, rests solely with not seeing the pool of funds available for investment in Saskatchewan being diminished by a law, by legislation, by regulation that in fact is simply here because it was done in Ottawa so it should be done here.

So over the next little while, Mr. Speaker, I and my colleagues will be consulting further with those who are working with labour-sponsored venture capital corporations in the province of Saskatchewan. We'll be sharing this legislation with them. And, Mr. Speaker, we will be seeking their input into this process.

I can only assume, Mr. Speaker, that those who are proposing the Bill — the present government, the Minister of Enterprise and Innovation — have already consulted with, have already

talked to those who are involved in this business, Mr. Speaker. I can assume that, but I can't presume that, Mr. Speaker, because certainly events of recent weeks about the lack of consultation that government engages in, Mr. Speaker, has been very apparent. In fact we are aware that this government seems to believe that we should legislate first and consult second. And, Mr. Speaker, while I would like to assume that they have indeed consulted already since the legislation is in front of us, I should not presume that to be the case based on our history.

So, Mr. Speaker, we will take some time to review this with those who are most affected. And our goal in doing that is quite simply to preserve the original intent and preserve the ability of these labour-sponsored venture capital corporations to do good business in Saskatchewan, supporting Saskatchewan businesses that invest in rural Saskatchewan that provide the opportunity for good jobs and building our communities.

Therefore, Mr. Speaker, knowing that we've got some consultation to do before we send this off to committee and knowing that there are other members of my caucus who will wish to speak on this legislation before we send it off to committee, I would, at this point, move that debate on Bill No. 84, *An Act to amend The Labour-sponsored Venture Capital Corporations Act* be now adjourned.

**The Speaker:** — The member from The Battlefords has moved adjournment of debate on Bill No. 84. Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Chair:** — Agreed. Carried.

#### **Bill No. 85 — *The Municipal Grants Act***

**The Speaker:** — I recognize the Minister Responsible for Municipal Affairs.

**Hon. Mr. Hutchinson:** — Thank you, Mr. Speaker. I rise today to move second reading of Bill No. 85, *The Municipal Grants Act*. As announced in the 2009-2010 budget, the provincial government is implementing a new municipal operating grants program. This program will provide predictable funding to support municipal operating expenditures. The Bill replaces *The Municipal Revenue Sharing Act* and provides the legal framework for government to implement the new program.

This Bill and the regulations that will follow demonstrate our government's commitment to keeping our promises. In the 2007 provincial election campaign, we promised to develop a new revenue-sharing deal that includes a portion of the province's own-source revenue. Mr. Speaker, this is exactly what we have done.

Municipal operating grants will grow based on the growth in provincial sales taxes. This year the municipal operating grant will be 90 per cent of 1 percentage point of PST [provincial sales tax]. In 2010-2011 and each following year, we will provide one full percentage point of PST to municipalities for operating expenditures. We are increasing operating funding for municipalities by 24 per cent over last year and meeting our commitment to provide predictable, stable operating funding for

local governments.

Government did not develop the new program in isolation. This program is the result of an analysis of municipal needs conducted with the municipal sector. I would like to take this opportunity to thank the many people for participating in the review: SUMA [Saskatchewan Urban Municipalities Association]; SARM [Saskatchewan Association of Rural Municipalities]; UMAAS [Urban Municipal Administrators' Association of Saskatchewan]; RMAA [Rural Municipal Administrators' Association of Saskatchewan], that's the urban and rural municipal associations and their administrative associations; as well city managers, the city mayors' caucus, New North, and the northern revenue sharing trust account management board. Mr. Speaker, their ongoing commitment to work with the ministry and with government to meet our shared goal of a strong and vibrant municipal sector is very much appreciated indeed.

Once this Bill has been passed and has received the assent of the Lieutenant Governor, it will come into force retroactively to April 1, 2009, the very first day of the province's 2009-2010 fiscal year. The details of the new municipal operating grant program will be incorporated in regulations in the coming months.

Mr. Speaker, this funding is important to the prosperity and well-being of all communities and the municipalities in Saskatchewan. I hope all members of the legislature will support this legislation to increase funding for municipalities. Mr. Speaker, I move second reading of Bill No. 85, *The Municipal Grants Act*. Thank you.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — The Minister Responsible for Municipal Affairs has moved second reading of Bill No. 85, *The Municipal Grants Act*. Is the Assembly ready for the question? I recognize the member from The Battlefords.

**Mr. Taylor:** — Thank you very much, Mr. Speaker. I appreciate the opportunity to rise today to speak to second reading of Bill No. 85, *An Act respecting Grants to Municipalities, making consequential amendments to other Acts and repealing The Municipal Revenue Sharing Act*.

And again, Mr. Speaker, as I rise to speak, I want to thank the minister opposite for his explanation of the Bill provided in the last few minutes. I am surprised however, Mr. Speaker, that the minister did not take a little bit more time to actually explain how this process of change from revenue-sharing formulas to grants will work, Mr. Speaker. I appreciated, however, the fact that in committee the other day the minister answered quite a number of questions that I raised with regards to the way in which grants will be provided to municipalities.

And, Mr. Speaker, in my remarks today I will also take a few moments to outline the way in which it was explained to me how this process will work, but at the same time, Mr. Speaker, explain some of the impact that that may have on municipalities and of course express some of the — not concerns but — language that some of the municipalities have raised with me over the last few days.

[14:45]

That having been said, Mr. Speaker, and before I address the Bill directly, let me just say that I am aware that the Ministry of Municipal Affairs has been working with municipalities on this since the election of 2007. I'm also aware, Mr. Speaker, that this process of discussing changes to the revenue-sharing process began by the former Department of Municipal Affairs prior to the November 2007 election.

Mr. Speaker, back when I was minister of Government Relations, which was the name of the department prior to the election in 2007, we had engaged in preliminary discussions with municipalities to find a new way of providing funds — a new way other than the traditional revenue-sharing program. And Mr. Speaker, it obviously took the new government some time to work through this with the municipalities, as it took my government some time to work through the preliminaries of this. After all, Mr. Speaker, we are dealing with a number of individual municipalities. We were dealing with a number of different municipal organizations. And Mr. Speaker, we were dealing with a couple of agencies that would be affected by this.

Mr. Speaker, obviously Saskatchewan's largest cities, Saskatoon and Regina — although they are members of SUMA, the Saskatchewan Urban Municipalities Association — had a very specific and differential view of revenue sharing, Mr. Speaker. The largest cities, the fastest growing population component and in fact physical growth component of the provincial economy, Mr. Speaker, had a stake in how provincial revenues would be applied in the future. Mr. Speaker, Saskatchewan Urban Municipalities Association representing cities, towns, villages, Mr. Speaker, all had an interest in seeing that the provincial government would provide funding at a level that would allow them to meet needs expressed by their communities.

Rural municipalities through the Saskatchewan Association of Rural Municipalities, Mr. Speaker, that is all those rural communities that were not villages and towns, Mr. Speaker, also had a significant interest in this process because of course the funding for rural municipalities was tied up in the revenue-sharing program.

Mr. Speaker, all the northern communities — and this Bill addresses funding for northern communities — as well through the organization called New North were also very interested in revenue sharing, Mr. Speaker, and have always been concerned that their share of the revenue-sharing pool was never either fair or enough, Mr. Speaker, to cover the needs of the people of the North.

And then finally, Mr. Speaker, you also have addressed in this legislation, the interests of Saskatchewan Assessment Management Agency known as SAMA, who of course are funded by local municipalities and by the provincial government and more recently, Mr. Speaker, with the addition of funding from the school boards across Saskatchewan.

So, Mr. Speaker, you have a large number of individual interests that had to be at the table to work through the whole process of moving from revenue sharing to a form of sharing provincial revenues for the benefit of municipal residents. We

all know, Mr. Speaker, that if you're a resident of a municipality in Saskatchewan, you are also a resident of Saskatchewan. Provincial interest is very significant. And, Mr. Speaker, the municipal interest is obviously very close to the hearts of people who live in their communities.

It is the municipal government after all that provides the quality of life for people. And the municipal government, the municipal leaders made it very clear in all of their arguments to the discussion table that if it wasn't for parks and paved streets, sidewalks, trees, snow removal, recreation facilities, cultural facilities, in some cases police services, in most cases fire services, garbage collection, provision of safe drinking water . . . Mr. Speaker, we have provided municipalities with the responsibility to deliver most of those things that provide the quality of life for the people who live within our communities in our province. So, Mr. Speaker, those municipal leaders have always expressed concern that as provincial revenues grew, that revenues for municipalities should also grow.

And of course, Mr. Speaker, there was criticism of times in the early 1990s when the revenue-sharing pool actually dropped in size, Mr. Speaker, and then of course it started to grow again as resources in the province became available . . . [inaudible interjection] . . . The members opposite have been critical in the past — and I hear from the comments across the way right now, Mr. Speaker — have been critical of this drop in revenue sharing that occurred in the mid-1990s.

But, Mr. Speaker, I think the municipal leaders are aware and the members opposite should be aware — although it appears that they aren't, Mr. Speaker — should be aware that in fact what was happening to that revenue pool was a direct result of the province's inability to fund all that had previously been funded because of the huge debt load that the province was carrying after the 1991 general election. Mr. Speaker, the Conservative government from 1982 to 1991 had created a debt load that almost prevented Saskatchewan from borrowing funds to allow it to continue to operate.

So, Mr. Speaker, all residents in Saskatchewan actually contributed over the years 1991 through 1995-96. All residents in Saskatchewan contributed to help get this province back on its feet away from the bankruptcy, the near bankruptcy that the previous Conservative government had put it in. And municipal leaders at the time understood that the only way that the province would be able to continue any revenue sharing was for that pool of dollars to drop. And they understood that, Mr. Speaker, and they worked through it with the province and with others. And in fact all sectors of the Saskatchewan economy, Mr. Speaker, had to dig in and deal with that near bankruptcy situation.

The other piece of news, Mr. Speaker, that the members opposite conveniently forget is that in 1995-96 there was a significant change in funding imposed on the provinces by Ottawa. The federal budget in that year, Mr. Speaker, actually changed the way in which funds were provided to the provinces for the provision of education and health care. That program changed dramatically, Mr. Speaker, for the provision of education and health care. And as a result of that, the provincial costs for providing education and health care increased dramatically.

So, Mr. Speaker, once again . . . and the members opposite certainly don't understand this situation. So, Mr. Speaker, it took almost until 1999, almost eight full years, Mr. Speaker, for the New Democratic Party government in this province to overcome the debt that was created by the cousins of the members opposite and the new rules imposed by Ottawa on the circumstances, the financial circumstances, of this province.

But what happened, Mr. Speaker, as soon as the province of Saskatchewan began to get out of debt and create some new revenues? Mr. Speaker, those new revenues began to be shared with municipalities so that in each of four years that new revenues were available, that revenue-sharing pool was increased in 2004, in 2005, in 2006, in 2007. Mr. Speaker, every year, every year the revenue-sharing pool increased ad hoc as a decision of the government of the day. Mr. Speaker, it increased because there was a recognition that indeed the pool had to be rebuilt to its base and more importantly, Mr. Speaker, recognized that the quality of life of Saskatchewan people is indeed influenced by the ability of the municipalities to deliver it. That funding was important, was critical, and therefore it moved forward.

As the economy improved, Mr. Speaker, municipal leaders indicated to the province a desire to share more greatly in those increased revenues. And, Mr. Speaker, the government of the day, the New Democratic Party, myself as minister of Government Relations and later the member from Regina — it's not Coronation Park, Mr. Speaker, it's Douglas Park — Regina Douglas Park, met with municipal leaders across the province, Mr. Speaker, and agree that we needed to find the right formula to ensure that municipalities could in fact have a greater share in this.

But, Mr. Speaker, finding the match that would serve urban municipalities, cities, towns, villages, the big cities, the rural municipalities, and of course those others that are involved, as I said, Mr. Speaker — including SAMA, which also has an effect on school boards, Mr. Speaker — all had to be at the table, all had to be a part of the process.

So, Mr. Speaker, what was taking place here was what we consider to be the right way of doing things. You consult first and then you make changes and legislate later. That's the right process, Mr. Speaker. So what we're seeing right now, Mr. Speaker, is a piece of legislation that follows this process of the municipalities are able to support the legislation and the program because they've been part of the process that created it. They aren't reacting to some theoretical idea that somebody in government had that they're now going to test out after they've written it and have committed it to concrete, Mr. Speaker.

The budget provisions have generally been received well by the municipal sector simply because they have indeed been a part of the creation of the program and indeed the legislation itself. And every one of them, Mr. Speaker, knows that this process began long before the members opposite were elected. And, Mr. Speaker, the reason it was a long time, because they needed to find that common ground. They knew how important it was to have all parties with some agreements in common interests, Mr. Speaker. And it didn't happen overnight because one person said, this is the way it should be. You had a lot of competing interests.

Now, Mr. Speaker, what we've got here is the legislation that is going to implement a program that does away with the way it was always done and introduces a brand new way of distributing funds. Now there are risks associated with this process, Mr. Speaker, and I think the municipal leaders are aware of those risks. We will examine some of them when this legislation goes to committee. But, Mr. Speaker, what communities have been used to, Mr. Speaker, is now gone. There's a new process that's been introduced and it's going to take a bit of time for the municipalities to fully integrate into this. Fortunately they've been involved in the creation of the legislation so they have a reasonable understanding of what they might expect. But the devil's always in the detail, Mr. Speaker.

[15:00]

What we've got here is now a grant of government. In fact the name has changed in this legislation from revenue sharing to operating grant. And the other night we talked in committee — members of the opposition and the minister — we talked about this change from revenue-sharing formula to government grant.

Now there is no real formula here, Mr. Speaker, other than the fact that we're going to see a per cent next year. This year is 90 per cent of 1 per cent of the PST. But the program really is 1 per cent of the PST will be provided annually to the municipalities. That's it. Very simple, very straightforward. And of course, Mr. Speaker, the numbers will be known about six months in advance of the municipal budget process. And that's a good thing because municipalities wanted some certainty in the process.

But the bottom line is, Mr. Speaker, this still is a grant. And I think everybody understands the difference between a revenue-sharing formula and a grant. We had with the revenue sharing, Mr. Speaker, at least a base, and it would continue year after year after year after year. With a grant, Mr. Speaker, or what's known as a grant, it sort of seems like it's at the discretion of government, and that here one day, gone the next. There's always concern, Mr. Speaker, about discretion in providing funding, especially when the premise is certainty. So we need to have not just certainty of dollars, Mr. Speaker, we need to ensure certainty of delivery. And that's something the municipalities have expressed some interest in.

Let's just have a quick look at the first couple of provisions that's in the legislation itself, Mr. Speaker. After the title and the interpretation we get to some of the clauses. I just want to put on record, Mr. Speaker, what some of these clauses say. Basically, clause no. 3, under grants to municipalities:

#### **Grants to municipalities**

3 The minister may make grants to a municipality in accordance with the regulations for any prescribed program or prescribed purpose.

So in other words, Mr. Speaker, the legislation does not set out a per cent of PST. That's going to be in the regulations. So, Mr. Speaker, those regulations can be changed without a change in legislation.

Secondly, point no. 4 in the legislation under grants for

municipal purposes or municipal programs, it says:

The minister may make grants in accordance with the regulations to any person, agency, organization, association, institution or body within or outside Saskatchewan for any prescribed municipal purpose or prescribed municipal program.

So funds available under this program, Mr. Speaker, also apply to not just the municipalities but to organizations, associations, institutions, or bodies inside or outside Saskatchewan.

Mr. Speaker, what did this government have in mind when they talk about using this pool of 1 per cent of PST which will be described in the regulations? How will that impact the overall per capita distribution to municipalities across the province? We don't know that at this point, Mr. Speaker, and we need to examine that.

And then, Mr. Speaker, point no. 5, payment of grants, "Any grant paid pursuant to this Act is subject to any or all of the following" conditions: number one, any term or condition imposed by the minister; number two, any term and condition contained in an agreement pertinent to the grant between the minister and the recipient; and number three, any prescribed terms and conditions.

So, Mr. Speaker, the legislation is a wide open file folder. There's absolutely nothing in that file folder at the moment. The minister can have any term, any condition, any prescribed term or condition attached to these grants, Mr. Speaker. It does not need the legislation to change. It does not need the legislation to be amended in any way, Mr. Speaker. It's all done through agreements and it's all done through regulation.

And then finally, Mr. Speaker, under 6, holdback of grants, the legislation says and I quote again:

The minister may refuse to pay a grant, or may suspend or adjust a grant, if the minister is satisfied that:

(a) the recipient has failed to comply with this Act, the regulations, [or] any . . . Act or regulations to which the recipient is subject or the terms and conditions of a grant; or [secondly]

(b) it is in the public interest to do so.

So, Mr. Speaker, again I guess we have to ensure we understand what is and what is not a public interest. That is a legal term that . . . There is a definition, a common definition subscribed to under the terms of a contract, Mr. Speaker. But when there's a failure to comply with the regulations that we haven't seen yet, Mr. Speaker, there are obviously some hesitations within the municipal sector as to what this might mean.

The bottom line with those provisions that I outlined, Mr. Speaker, is that for all intents and purposes this legislation simply allows the government to do what it says it's going to do. But it does not outline what it has to do, when it has to do it, or how it has to do those things. We'll obviously see some of that in the regulatory process down the road.

Now, Mr. Speaker, when we talked about the devil in the detail again, municipalities have always raised the issue of what their population count is for revenue sharing. The old revenue-sharing formula, Mr. Speaker, had a per capita distribution method attached to it. The new operating grant also has its distribution formula attached to the per capita basis, or the number of people who live within a community.

Municipalities across Saskatchewan have expressed in the past concern that because the distribution formula — the per capita determination — is based on the previous Canada-wide census, that quite often populations grow quickly but the grant or the old revenue sharing did not grow with that population increase.

And right now, Mr. Speaker, that is indeed the circumstances in Saskatchewan. Revenue-sharing funds and now the operating grant are going to be paid out, number one, based on — if I'm not mistaken — the PST calculations for '07-08 based on population numbers settled by census in 2006. So even though the population has grown and the value of the PST has grown in '07-08, '08-09, and now we're in the '09-10 budget, the operating grant is based on all of these numbers from the past.

On the one hand it's hard to criticize, Mr. Speaker, because there is certainty, which is what all of the parties asked for. The formula provides certainty. We know what the distribution is going to be. But on the other hand, as we go forward, Mr. Speaker, every five years the new population numbers come out. And for four years after that the municipalities that are growing — and the government and supported by the opposition feels that Saskatchewan will continue to grow — every four years after the census, municipal numbers are going to be out of whack, Mr. Speaker, especially in the larger communities where population growth will be most significant, most notable, and more importantly, Mr. Speaker, where additional funds because of that growth are going to be more necessary.

Mr. Speaker, for a community like North Battleford that may need to create a new subdivision because of growth and need for additional housing, the costs of building and providing that servicing in the early year, Mr. Speaker, is difficult for a community. When you're trying to build a cultural or recreational facility as they are in Moose Jaw or as they are in North Battleford, Mr. Speaker, finding the municipal funds . . .

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

**Mr. Duncan:** — To introduce guests.

**The Speaker:** — The member has asked for leave to introduce guests. Is leave granted?

**Some Hon. Members:** — Agreed.

**The Speaker:** — I recognize the member from Weyburn.

## INTRODUCTION OF GUESTS

**Mr. Duncan:** — Thank you, Mr. Speaker, and thank you to my colleague for the opportunity. Mr. Speaker, this afternoon joining us in the west gallery are three youngsters from the Weyburn-Big Muddy constituency. We're joined by James,

Mary, and Dominic, and they are accompanying their father, David Sidloski, here in the Assembly today. They're up in Regina on some appointments and thought they'd stop in to see if the legislature was in session and take in some of the debate. And I want to ask all members of the Assembly to help me in welcoming them to their Legislative Assembly.

**Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from The Battlefords.

## SECOND READINGS

### Bill No. 85 — *The Municipal Grants Act* (continued)

**Mr. Taylor:** — Thank you very much, Mr. Speaker. Although no one likes to be interrupted, that was a fine interruption and I didn't mind that at all. And welcome as well to our guests today.

Mr. Speaker, I was talking about the population concerns that exist within the municipalities and about catch-up. And, Mr. Speaker, I would hope that discussions between municipal leaders and the Government of Saskatchewan will continue to ensure that, as we move forward, we are going to be addressing some of the next stages of issues that come with proper and adequate funding for municipalities. And this applies equally, Mr. Speaker, to cities, towns, villages, and rural municipalities, Mr. Speaker.

Now let's not forget the resort communities in Saskatchewan, Mr. Speaker, and let's not forget the role that they have played and their citizens play in our economy, and in developing the quality of life. I notice, Mr. Speaker, that this legislation also addresses what the legislation refers to as a cabin owners association. So, Mr. Speaker, it is important to note that that exists in here.

And finally, Mr. Speaker, the legislation also addresses the northern municipal trust account. Mr. Speaker, the northern municipal trust account is a very important means by which the provincial government supports the needs and activities of communities in Saskatchewan's North. Mr. Speaker, these communities have a greater challenge of raising funds to provide the services for their communities because their assessed tax base, Mr. Speaker, is so much different and so much lower than that which exists in communities anywhere else in the province.

Mr. Speaker, it is a significant challenge for northern communities to use simply the local tax base to support the municipal needs or the delivery of services throughout those communities. And I think anyone opposite who has travelled in northern Saskatchewan understands exactly what I'm talking about and what they have talked to us about. So, Mr. Speaker, it's very important that this legislation does address the issues raised by New North, by the leaders of northern Saskatchewan, and fully recognizes the northern municipal trust account.

And I think the last piece that we have to fully understand is that the legislation also provides some direction with regards to the assessment management agency. I think we all know that, as

much as any discussion about assessment in Saskatchewan brings both yawns and cries, Mr. Speaker, the discussion and the needs to understand assessment and the assessment process in our province is absolutely critical to the ability of our communities to function and do what they need to do.

Mr. Speaker, I think that's why quite a number of years ago the Saskatchewan Assessment Management Agency was created, why there has been a number of reviews over the years, why in fact the assessment management agency has had changes both to its way of operating and its board, and, Mr. Speaker, why there has also been an evolution of the assessment management tools that the agency, the people who work for the agency, and the contractors who work for our municipalities in assessment management have been given over the years to ensure that this gets done correctly.

[15:15]

Mr. Speaker, I've said the public will either yawn or cry at a discussion about assessment. Mr. Speaker, it's a very complicated field whereby you certainly need particular expertise, and when we discuss that expertise people's eyes will droop. And of course, Mr. Speaker, it becomes something that at the end of the day very few people, even with explanations, fully understand.

But people will cry, Mr. Speaker, because no one believes that their assessment is correct, Mr. Speaker. People will cry because this process has a direct impact on us as individuals, as property owners throughout the province. And, Mr. Speaker, every one of us property owners in the province of Saskatchewan needs to know and wants to know and wants to be assured that the assessed value of our property has been done correctly — more importantly, has been done fairly. And, Mr. Speaker, the Assessment Management Agency in this province has done a tremendous job over the years, and continues on an annual basis to review the work that it and its contractors need to do.

Mr. Speaker, the municipalities know that this is important, and school boards also know that this is important, Mr. Speaker, because a considerable amount of the funding available to run a municipality — or in fact the school board, Mr. Speaker — is the assessed value of the property times a mill rate established by that municipality. So the taxes that are collected off of individual properties to support that portion of the operations of a municipality and of a school district, Mr. Speaker, come from the assessed value.

So the Saskatchewan Assessment Management Agency, Mr. Speaker, needs to, number one, have adequate funding, and needs to be able to operate, Mr. Speaker, one, with some independence, but more importantly with some sensitivity to the needs of the municipal sector.

So, Mr. Speaker, this legislation has provisions in it that have application to the Assessment Management Agency. But I think the most important part of this, Mr. Speaker, is trying to understand if there are any current disputes out there that affect the Assessment Management Agency, Mr. Speaker, because the provisions of this legislation may in fact affect the way in which those disputes can be resolved.

And while I have my feet, Mr. Speaker, on this issue, I'm sure that the members of the government are fully aware, members of the opposition are being made aware, Mr. Speaker, that for the second rollover of assessment circumstances, Mr. Speaker — the words just escape me now the way this process comes out — but, Mr. Speaker, for the second circuit of assessment, hoteliers in this province have made some very strong arguments about the fairness of assessment, commercial assessment, the rollout of changes from market- to income-based assessment for the purposes for commercial properties.

And, Mr. Speaker, the Assessment Management Agency is aware of these things. I think the government is aware of them. And it's my understanding that there are discussions taking place that may in fact provide some remedy to this, Mr. Speaker. It is very important that assessment in this province be certainly seen and, in fact, be as fair as possible to all. Because at the end of the day, we're all in the same boat. It's the assessed value of our property that assures our individual and collective contributions to our municipalities.

So, Mr. Speaker, this legislation — as short as it is, with as few clauses as it has — has tremendous impact for all residents of this province. We are all residents of a city, town, village, rural municipality, northern community, or resort village. Every one of those is affected by this legislation.

The bottom line is, Mr. Speaker, that the Saskatchewan economy has done quite well in recent years. That economic growth began . . . We could see it beginning back in 2006, Mr. Speaker. And this government has inherited a considerable amount of additional revenues and an economy that continues to generate additional revenues. This is the time, Mr. Speaker, to introduce an effective change to the way in which revenue sharing occurs. Mr. Speaker, this is also the time to recognize that the process of getting here was one of extensive consultation and then legislation. So, Mr. Speaker, I think that, by and large, with some matters that need clarification and some issues that need to be brought forward for further clarity and certainty, Mr. Speaker, this is legislation that municipalities have greeted with some level of . . . My light has gone out. Oh here we go. Thank you, Mr. Speaker.

I was just trying to be very careful, Mr. Speaker, so that Hansard can pick up all my wonderful words here. And I do find it interesting, Mr. Speaker, that all I have to do is stop speaking for a minute and the members wish to have me continue. I'm very grateful. I'm very grateful for the support that the members opposite want to have.

So, Mr. Speaker, I have expressed my thoughts on this legislation. I have provided some explanation to the people of Saskatchewan about the legislation. And, Mr. Speaker, I've indicated that there are some matters of certainty that we wish to clarify. And therefore, Mr. Speaker, I would move at this time that debate on Bill No. 85, *An Act respecting Grants to Municipalities, making consequential amendments to other Acts and repealing The Municipal Revenue Sharing Act* be now adjourned.

**The Deputy Speaker:** — The member from The Battlefords has moved to adjourn debate on Bill No. 85, *The Municipal*

*Grants Act*. Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Deputy Speaker:** — Carried.

**Bill No. 86 — *The Saskatchewan Financial Services Commission Amendment Act, 2009***

**The Deputy Speaker:** — I recognize the Minister of Justice.

**Hon. Mr. Morgan:** — Thank you, Mr. Deputy Speaker. I rise today to move second reading of *The Saskatchewan Financial Services Commission Amendment Act, 2009*. The amendments to *The Saskatchewan Financial Services Commission Act* accomplish two main goals. First, they provide for the creation of the Saskatchewan Financial Services Commission Fund to better protect consumers by enhancing compliance and enforcement activities. And secondly, they clarify the role of the Saskatchewan Financial Services Commission with respect to the administration of *The Securities Act, 1988*.

Mr. Deputy Speaker, as you are aware, the Saskatchewan Financial Services Commission is the regulator and quasi-judicial adjudicator with respect to financial services in this province. Its responsibilities include the credit union system, insurance, pensions, securities, trusts and loans, payday loans, and mortgage brokers.

To sustain and protect Saskatchewan's economic growth, the Saskatchewan Financial Services Commission needs to be able to respond in a timely manner to the demands of investors, issuers, retirees, financial institutions, and other market participants. To ensure the commission can meet these needs, the Bill proposes amendments to *The Saskatchewan Financial Services Commission Act* to establish a special purpose fund. The revenue derived from the fees charged to the regulated entities under financial services regulations will flow into the fund and be used to pay the ongoing operating expenses of the commission.

This fund will be administered by Saskatchewan Financial Services Commission under the direction of the Treasury Board and myself, as Minister of Justice and Attorney General. There will be full transparency and accountability with respect to the operation of this fund. It will be subject to the oversight and direction of the Saskatchewan Financial Services Commission, which is a seven-person panel of experts in financial services matters, appointed by the Lieutenant Governor in Council. Furthermore, the accounts and financial statements of the fund will be audited by the Provincial Auditor. The commission will be required by this Bill to table an annual report in the Assembly regarding the operations of the fund.

Mr. Speaker, in taking this step, Saskatchewan joins British Columbia, Alberta, Manitoba, Ontario, Quebec, and New Brunswick in providing for direct funding for the Securities Commission through fee revenue. This change will enhance the ability of the SFSC [Saskatchewan Financial Services Commission] to ensure ongoing compliance with its legislation and allow it to add resources that will help prevent financial services fraud by educating consumers and more effectively

punishing wrongdoers under the existing enforcement proceedings.

The Act makes a series of consequential amendments to *The Securities Act, 1988* to reflect that the SFSC now performs the function of the former Securities Commission under that legislation. *The Saskatchewan Financial Services Commission Act* allows the commission to take over functions under various financial services legislation, as a way of providing improved regulatory financial services. The changes in this Bill reflect the status quo that the Financial Service Commission now serves as a Securities Commission under *The Securities Act, 1988*.

Accordingly, rather than having to read two Acts and regulations together to understand that the SFSC performs this function, this Bill will now make the amendments necessary so that both Acts reflect the reality that the SFSC has performed and will continue to perform these functions.

Mr. Speaker, adequate regulation of the financial services sector is now more than ever vital to this country's strong financial services industry. Saskatchewan needs to continue to reform these functions in a modern and progressive fashion. The establishment of a fund and the ability to self-fund through fee generation ensures that the SFSC will be a responsive and even proactive regulator on behalf of Saskatchewan investors.

Mr. Speaker, it is my privilege to move second reading of *An Act to amend The Saskatchewan Financial Services Commission Act, to make related amendments to The Securities Act, 1988, to make consequential amendments to other Acts and to repeal The Saskatchewan Financial Services Commission Assignment Regulations*. Thank you, Mr. Deputy Speaker.

**The Deputy Speaker:** — The Minister of Justice has moved second reading of Bill No. 86, *The Saskatchewan Financial Services Commission Amendment Act, 2009*. I recognize the member from Saskatoon Meewasin.

**Mr. Quennell:** — Thank you very much, Mr. Speaker. The minister in his second reading speech outlined both the purposes of the Bill, which include making it clear that the regulation of securities comes under the Financial Services Commission, and the role that the commission plays which includes not only regulation and, as the minister said, quasi-judicial adjudication in respect to securities but also the credit union system, trust and loans, insurance, pensions, and other aspects of the financial services industry in the province of Saskatchewan — a number of key roles played by a small group of highly competent people who perform a great service to the Saskatchewan public. And I think that — although these industries are relatively small in an actual context within Saskatchewan and the commission is relatively small and covers a wide range of very important areas in ensuring the protection of people's deposits, people's investments, people's pensions, people's insurance — they have done, this group of people have done a sterling service for the people of Saskatchewan.

The opposition supports in principle the objectives of this Bill. And at the conclusion of my remarks, we'll be allowing it to go to committee without further second reading debate. That said, Mr. Speaker, this matter of creation of the fund arose in

estimates in the committee for Justice and Intergovernmental Affairs, I believe, this just previous Monday evening. And the manner in which it arose, Mr. Speaker, is that there was a decrease in the funding from the Ministry of Justice to the fund for the upcoming year. And the reason of course why there is a decrease in the funding is because the commission is becoming something of a stand-alone agency further to this Bill. And funding will end coming from the Ministry of Justice, and it will be funded by the fund created by the fees obtained by that the work, the regulatory work, of the commission.

[15:30]

The minister pointed out in estimates in response to my questions that indeed — and the officials did as well, Mr. Speaker — that indeed the commission would continue to be audited by the Provincial Auditor and there would be oversight by Treasury Board and the minister would be involved as the minister responsible for the commission and that there would be a report to the legislature.

Mr. Speaker, one of the reasons that the opposition is not engaging in extensive second reading debate is because a major issue for us was addressed in response to my questions. What I heard, what I believe I heard, and what I certainly will want to seek further assurance from when the Bill is being dealt with in the committee is that oversight by the legislature will not be confined merely to the receipt of a report, that currently the Financial Services Commission is a line item in the estimates for the department or Ministry of Justice, as it's now called, Ministry of Justice. And therefore the executive director of the commission appears with the minister in estimates for that ministry and answers questions if there are any questions about the work of the commission.

Certainly an audit by the Provincial Auditor is oversight. And certainly approval of the budget by Treasury Board, whatever that involves, if it involves very much these days, Mr. Speaker, is oversight. But I trust that this will be the type of agency that will be reporting to the legislature as, say, the Information Technology Office reports to the legislature in estimates. We will not as legislators, as members of this Legislative Assembly, lose our oversight over the Financial Services Commission.

That is the principle I wish to speak to, that we wish to speak to, in second reading debate. That is the principle that we will want to be assured again in committee or will continue to be the case, Mr. Speaker.

That said, the concept of the fund and certainly making it clear that securities as well as all the other enumerated roles of the Financial Services Commission continue to be performed by this commission and in its now more autonomous or what will be its more autonomous and independent function are principles with which we agree. And we think we gain something by the government's proposal, and support it in principle.

And all the opposition wants to be sure of is that we don't lose anything that we don't have to lose in the case of legislative oversight. That said, Mr. Speaker, I think I have telegraphed that I will return to these concerns in committee. But for the moment, those will be the conclusion of our comments on this legislation.

**The Deputy Speaker:** — Is the Assembly ready for the question?

**Some Hon. Members:** — Question.

**The Deputy Speaker:** — The question before the Assembly is a motion by the Minister of Justice that Bill No. 86, *The Saskatchewan Financial Services Commission Amendment Act, 2009* be now read a second time. Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Deputy Speaker:** — Carried.

**Clerk Assistant (Committees):** — Second reading of this Bill.

**The Deputy Speaker:** — To which committee shall this Bill be referred?

**Hon. Mr. Gantfoer:** — Mr. Deputy Speaker, to the Standing Committee on Intergovernmental Affairs and Justice.

**The Deputy Speaker:** — I designate that Bill No. 86, *The Saskatchewan Financial Services Commission Amendment Act, 2009* be referred to the standing committee on intergovernmental and justice committee.

**Bill No. 87 — *The Income Tax Amendment Act, 2009***

**The Deputy Speaker:** — I recognize the Minister of Finance.

**Hon. Mr. Gantfoer:** — Thank you, Mr. Deputy Speaker. I wish to announce to the Assembly the receipt of Royal Recommendation for the following Bill. This was not received in time to appear on the order paper; therefore I beg to inform the Assembly that His Honour the Lieutenant Governor, having been informed of the subject matter of Bill No. 87, *The Income Tax Amendment Act, 2009*, recommends it to the consideration of the Assembly.

I am pleased to rise and move second reading of Bill 87, to amend *The Income Tax Act, 2000*. Mr. Speaker, in addition to introducing the largest single year education property tax cut in Saskatchewan's history, our government's second budget also included a significant tax initiative in support of investment in research and development by Saskatchewan businesses.

Mr. Speaker, over the course of the past year, our government met with a broad spectrum of representatives of Saskatchewan's research and development sector. The purpose of these meetings was to discuss ways to improve the effectiveness of Saskatchewan's existing R & D [research and development] tax credit. This tax credit, Mr. Speaker, provided a non-refundable benefit equal to 15 per cent of qualifying R & D expenditures undertaken in Saskatchewan. The credit reduced the amount of provincial corporate income tax that a company had to pay. Unused amounts could be carried forward for up to 10 years.

Mr. Speaker, our consultations made it clear the R & D tax credit was not helping smaller companies, and was not helping start-up enterprises bridge the gap between the initial research and commercial development. Mr. Speaker, these companies

are often not taxable. Therefore they are not benefitting from the tax credit, even though they are often in the greatest need of the tax credit's financial assistance.

Our consultations convinced us, Mr. Speaker, that the most significant improvement we could make to the R & D tax credit would be to convert it from a non-refundable tax credit to a fully refundable tax credit. Mr. Speaker, this Bill makes amendments to the existing R & D tax credit to convert it to a refundable tax credit.

Last year, Mr. Speaker, Saskatchewan completed its business tax reforms that included an increase to the small-business limit to \$500,000. Small businesses are eligible to pay the reduced corporate income tax rate of 4.5 per cent on business income up to this limit. The similar federal limit was \$400,000. In order to avoid replicating a number of rather complex provisions of the federal *Income Tax Act*, the provincial legislation simply grossed up the 400,000 federal small-business limit to achieve the \$500,000 provincial amount.

Mr. Speaker, in its 2009 budget, the federal government moved to similarly increase the federal small-business limit to \$500,000, matching the Saskatchewan amount effective January 1, 2009. As a result, this Bill proposes amendments to recognize the new federal amount and to maintain the \$500,000 provincial small-business limit.

Mr. Speaker, the federal government also recently announced a series of changes to the taxation of dividend income. These changes will have an unintended impact on the provincial taxation of this income. In order to ensure that the provincial tax on this dividend income does not increase, Mr. Speaker, this Bill proposes amendments to maintain the current 11 per cent dividend tax credit rate for eligible dividends.

Mr. Speaker, last year our government introduced the graduate retention program to provide up to \$20,000 in tuition rebates to our post-secondary graduates. Last October, Mr. Speaker, my colleague, the Minister of Advanced Education, Employment and Labour announced an expansion of this program to post-secondary graduates from the rest of Canada and beyond. As a result, Mr. Speaker, this Bill also introduces an amendment to expand the definition of eligible tuition fees under the program.

Finally, Mr. Speaker, this Bill includes technical amendments to the former R & D tax credit provisions that have been requested by the Canada Revenue Agency in order to clarify administrative issues with that credit.

Mr. Speaker, I move second reading of *The Act to Amend the Income Tax Act, 2000*.

**Some Hon. Members:** — Hear, hear!

**The Deputy Speaker:** — The Minister of Finance has moved second reading of Bill No. 87, *The Income Tax Amendment Act, 2009*. Is the Assembly ready? I recognize the member from The Battlefords.

**Mr. Taylor:** — Thank you very much, Mr. Speaker. I'm pleased today to rise and speak at second reading on Bill No.

87, *An Act to Amend the Income Tax Act, 2000*. Mr. Speaker, I rise immediately following the minister's explanation of the Bill and the reasons why it is necessary. And Mr. Speaker, I thank the minister for his explanation and the direction. It's very helpful in a technical Bill of this nature.

Mr. Speaker, we certainly acknowledge that there is legislation required when budgets change the way in which certain programs operate or makes funds available, when the federal government takes certain steps to change the way in which program or policy affects the collection of income tax and whereby provincial policy or budget changes affect *The Income Tax Act*.

Mr. Speaker, this legislation is specific to *The Income Tax Act* here in Saskatchewan. And, Mr. Speaker, I think the minister's explanation was quite detailed and is most welcome at this time.

But, Mr. Speaker, the minister in his remarks talked about the provincial budget and some of the changes that had been made to affect small business and research and development in this province and explained how the legislation actually affects the way in which income tax will be collected.

Mr. Speaker, I think that it bears noting that *The Income Tax Act* has been changed substantially over the years. Most recently, Mr. Speaker, one of the most significant changes in income tax in Saskatchewan was actually made to the corporate capital tax here in the province.

Mr. Speaker, we don't have to go back very far in our really short history as a province. We don't have to go back very far to see how some of the most dramatic changes that are affecting our economy occurred. 2005, Mr. Speaker, was Saskatchewan's centennial year. And prior to 2005, Mr. Speaker, there had been considerable discussion about potential growth for Saskatchewan's resource sector.

And the resource sector, Mr. Speaker, was making overtures to government about the need for change in the way in which the corporate capital tax was applied to their operations because, Mr. Speaker, they saw a future for investment in Saskatchewan resources. But in order to ensure that Saskatchewan's tax treatment of that investment was fair, when compared with other jurisdictions, Mr. Speaker, they talked to government.

Well the premier at the time, the member from Saskatoon Riversdale, seeing that it was an opportunity in Saskatchewan's centennial year to host an economic summit celebrating Saskatchewan's past but looking to the future of the province of Saskatchewan, in 2005 therefore, in the city of Saskatoon, an economic summit was held in which representatives of all the resource sectors — whether it was oil and gas, potash, uranium, steel manufacturing, agricultural equipment manufacturing — all the sectors active in manufacturing and resource development were in attendance, Mr. Speaker.

And the message was very clear to the people of Saskatchewan and to government. And indeed some, the significant representatives of the resource sector, were the most vocal, Mr. Speaker, that for Saskatchewan to continue to move forward with investment and the creation of jobs and the development of wealth in this province, the Government of Saskatchewan

needed to provide changes that would affect the corporate capital tax operating in this province.

Mr. Speaker, it was interesting to note others who were in attendance at that conference, Mr. Speaker. Even those representing social service agencies were present because they understood that the creation of wealth would determine how the province was able to meet its social obligations.

[15:45]

Mr. Speaker, it's also interesting to note who was not present at that summit whereby people like Jerry Grandey and others were very determined to talk about the benefits of a growth economy in the province of Saskatchewan. Who was absent, Mr. Speaker? Absolutely every single member of the opposition party, the Saskatchewan Party, and the party that's now in government. Every single member missed the conversations that took place at those tables and from the podium about the need to make some changes in the way in which investment revenues — capital revenues — in this province were treated.

More importantly, Mr. Speaker, in the months that followed that economic summit, Mr. Speaker, the government, then led by the member from Saskatoon Riversdale, responded to the investors, potential investors and the corporations doing business in Saskatchewan by actually making substantial and significant changes to the corporate capital tax in Saskatchewan. A change, Mr. Speaker, that was greeted with great enthusiasm by the sectors. More importantly, Mr. Speaker, as they say, the proof is in the pudding. Well in this case, Mr. Speaker, the proof was investment increased in this province dramatically.

And as a result in 2006-2007 greater revenues came to the province of Saskatchewan. A reduction in the tax of the corporate capital tax and an increase in provincial revenues, Mr. Speaker. The industry said, you do this for us and we will deliver to the people of Saskatchewan. Well, Mr. Speaker, industry stepped up and they did what they said they would do. And now, Mr. Speaker, we are seeing an economy in the province of Saskatchewan that because of changes that took place in '05 and '06, we are now seeing, Mr. Speaker, changes in the economy that have provided this government with an opportunity to do some things that they would not have been able to do had they been government in '05 or '06.

In fact, Mr. Speaker, there's about \$2 billion of revenue over and above what it was in '05-06, Mr. Speaker, that this government now has the ability to do things. Now, Mr. Speaker, the critical thing in this argument is that it's thanks to these new revenues that the current government has that we're able to do the things that are, to a certain extent, referenced in the changes to *The Income Tax Act* in front of us and some of the other measures in this budget, Mr. Speaker.

These were matters that were put in place before Saskatchewan was considered a boom province and, Mr. Speaker, we now are in a situation where preserving the economic integrity of our economy is the concern of the people. It's no longer concern for growth, Mr. Speaker, because growth is occurring. It's now preserving the benefits of that growth for those people who are investing in the province and who are benefiting from that

investment.

The bottom line, Mr. Speaker, when this legislation addresses things like changes in the dividend tax credit, the graduate tuition rebate, the small business threshold, the research and development tax credit, Mr. Speaker, these are all matters that can be addressed today because there are additional revenues available to government to be able to operate. And in fact, we are able to do some things that the federal government wants us to do because of that.

But there is one provision in this legislation, Mr. Speaker, that really stands out and that's the provision, Mr. Speaker, of the graduate tuition rebate. I think that anyone who is in university today is aware that prior to 2007, there was a graduate tuition program, a university retention program in place in the province of Saskatchewan. There were some promises made during the 2007 election and some things that took place after that 2007 election, Mr. Speaker, regarding the way in which the tuition rebate program applied for people, young people particularly in our province.

Well, Mr. Speaker, this legislation indicates, the explanatory notes indicates that in October 2008, the government announced an expansion of the program eligibility criteria for their graduate tuition rebate to allow tuition paid to out-of-province educational institutions to qualify. Well, Mr. Speaker, I think we know that at the end of 2007 and into 2008 when the new government's first budget came out, they had changed the tuition program to exclude out-of-province educational institutions from qualifying for the program.

Well, Mr. Speaker, there was an outcry from students inside and outside this province about this change. Well, Mr. Speaker, it didn't take long for this government to hear the cries of Saskatchewan young people and others who are attending universities across Canada, Mr. Speaker, and they made a change. Members on this side of the House, Mr. Speaker, complimented the government for making that change.

The only trouble is, Mr. Speaker, that the government didn't make all the change; they made partial change, Mr. Speaker. And while this legislation in front of us, Bill No. 87, acknowledges and puts in place the provisions necessary to allow this change to take place, Mr. Speaker, there's so much more that this government could do.

And I want to give a lot of credit while I'm on my feet, Mr. Speaker, to the member from Saskatoon Massey Place — a member who was recently elected to this House, who is doing a tremendous job representing his community. But more importantly, Mr. Speaker, he's doing a tremendous job representing young people who are attending universities in Saskatchewan and outside Saskatchewan, Saskatchewan residents, Mr. Speaker, who should be receiving a benefit from our graduate tuition rebate program.

Mr. Speaker, the member from Saskatoon Massey Place has collected signatures from individuals on petitions and presented them in this Chamber. Mr. Speaker, he continues to do so. Mr. Speaker, he has raised on two occasions that I'm aware of — March 4 and March 12, I believe, Mr. Speaker — he's raised the issue in the Chamber. He's asked the Minister of Advanced

Education, Employment and Labour to make further changes to this program.

And, Mr. Speaker, just to clarify for the public, I want to quote the member from Saskatoon Massey Place on a couple of occasions where he spoke in this Chamber during question period. First of all, Mr. Speaker, from *Hansard* of March 4, page 2132, the member from Saskatoon Massey Place says, and I quote:

... there is no doubt that the innovation, knowledge, and ideas that come with higher education are an essential factor in fuelling a modern economy. If we want Saskatchewan to thrive, we must encourage those with higher education to build their lives here and contribute to our economy. But the Sask Party doesn't seem to get that. They axed the successful ... [New Democratic Party] graduate tax exemption program and replaced it with a pared-down graduate retention program. Sadly the Sask Party's version of the program leaves masters and Ph.D. graduates out in the cold. Those who pursue their education beyond undergraduate degrees are completely excluded from the program.

Mr. Speaker, the member from Saskatoon Massey Place also said on that very same day, March 4 at page 2133 of *Hansard*, and I quote:

Our province needs those with graduate level degrees. We need to recruit physiotherapists, social workers, psychologists, academics, and business grads as much as the professions already included in the retention program ... after a lot of pressure the Sask Party has already admitted that it was wrong to exclude out-of-province graduates. Now it's time they realized their other failure and extend the program to those with graduate level training. These are all careers where the competition with other provinces to retain our best and [our] brightest is steep.

Mr. Speaker, very clear comments from the member from Saskatoon Massey Place. Mr. Speaker, I think that graduate students feel well represented and that their arguments have been well carried by the member.

If we read an article in the Saskatoon *StarPhoenix* from March 5, the day after the member first raised this issue in this Chamber, we see additional information relating to this program. And it is interesting, Mr. Speaker, the headline writer of *The StarPhoenix* titled this story: "It is a sad irony' graduate students won't get rebate."

Mr. Speaker, the writer acknowledges that adding out-of-province graduates to the program after leaving them out in the cold was a reversal of policy, a welcome reversal of policy. But of course he acknowledges the member from Saskatoon Massey Place, supported by all members on this side of the House, have called on the government to do the same for graduate students.

So, Mr. Speaker, I'm very pleased to add those additional comments to mine with regards to the Bill, comments that I'm making in regards to the Bill in front of us.

I think the members opposite will regard this legislation as primarily housekeeping, simply tidying up *The Income Tax Act* to fall within the provisions of the direction provided by the budget and by policies that have been directed this way from the federal government.

And by and large, Mr. Speaker, I don't disagree with that provision. But, Mr. Speaker, I think it is incumbent upon all members to fully acknowledge that there continues to be work that needs doing, in addition to the changes that will provide additional benefits to Saskatchewan people through the dividend tax credit, the small business threshold, and the graduate tuition credit, not to mention the research and development tax credit.

These are initiatives, Mr. Speaker, that support work, people, companies doing business in the province of Saskatchewan. Mr. Speaker, we can't forget that this is a continuation of a long process of tax changes that evolve with the business interests and needs of those working, investing, and supporting the Saskatchewan economy.

So, Mr. Speaker, while I have added a few thoughts to this debate, I know that other members of the New Democratic Party caucus will want to speak to this Bill before it proceeds to its normal conclusion. So therefore, Mr. Speaker, I would move that debate on Bill No. 87, *An Act to amend The Income Tax Act, 2000* be now adjourned.

**The Deputy Speaker:** — The member from The Battlefords has moved adjournment of debate on Bill No. 87, *The Income Tax Amendment Act, 2009*. Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Deputy Speaker:** — Carried.

**Bill No. 88 — *The Corporation Capital Tax Amendment Act, 2009***

**The Deputy Speaker:** — I recognize the Minister of Finance.

**Hon. Mr. Gantefer:** — Thank you, Mr. Deputy Speaker. I wish to announce to the Assembly the receipt of Royal Recommendation for the following Bill. This was not received in time to appear on the order paper. Therefore I beg to inform the Assembly that His Honour the Lieutenant Governor, having been informed of the subject matter of Bill No. 88, *The Corporation Capital Tax Amendment Act, 2009*, recommends it to the consideration of the Assembly.

Mr. Speaker, I rise today to move second reading of the corporate capital tax amendment Act, 2009.

[16:00]

Mr. Speaker, this government is introducing an amendment to the corporate capital tax Act, to provide the authority for a remission of corporate capital tax to those financial institutions that acquire through amalgamation the assets of a non-financial corporation and create a capital tax liability as the result of the acquisition.

The amendment applies to those amalgamations occurring on or after July 1, 2008. This coincides with the elimination of the general corporate capital tax on July 1, 2008. This provision for a remission of tax will provide a remedy for an unattended tax consequence of a financial institution which did not have a permanent establishment in Saskatchewan prior to acquiring the assets of a non-financial corporation.

Mr. Speaker, this amendment will encourage business to expand into Saskatchewan, preserve jobs, and participate in the growing economy that we continue to enjoy during these very challenging economic times. I'm pleased to move second reading of the corporate capital tax amendment Act, 2009.

**The Deputy Speaker:** — The Minister of Finance has moved second reading of Bill No. 88, *The Corporation Capital Tax Amendment Act, 2009*. Is the Assembly ready for the question? I recognize the member from The Battlefords.

**Mr. Taylor:** — Thank you very much, Mr. Speaker. I am pleased to rise today to speak at second reading of Bill No. 88, an Act to amend the corporate capital tax Act. And again, Mr. Speaker, I wish to thank the minister for his explanation of this Bill, which I think the public would find very challenging to understand having just had the Act in their hand, Mr. Speaker.

I will not speak at great length about this Bill, because indeed, Mr. Speaker, it's going to take a little time to fully understand and appreciate the impact or the consequences that may occur because of what's in it. For the public at home, this is a very short piece of legislation. It is by and large less than a page and a half in length but, Mr. Speaker, it is of consequence here to the people in Saskatchewan.

Mr. Speaker, to those who are watching, they will have heard my comments on the changes that occurred previously on the corporate capital tax itself. And, Mr. Speaker, I will not repeat those comments. For those who are reading this or are picking this message up at a later date in *Hansard*, Mr. Speaker, for those who wish to know more about my thoughts on the corporate capital tax, please refer back to debate on Bill No. 87, *The Income Tax Act*, where I outlined the history of recent changes to the corporate capital tax Act.

But, Mr. Speaker, I think one of the things that we need to understand about this legislation in front of us, Bill No. 88, is essentially the impact that this new provision will have, particularly on our credit unions in the province of Saskatchewan. The credit union has certainly been making investments in our communities, making acquisitions within our communities to strengthen businesses that have existed within our communities, but for whom a relationship with or affiliation with the credit union has certainly increased their fiscal capacity to deal with the challenges that exist out there.

I did find the minister's remarks about dealing with the challenging times — I think his quote was, dealing with challenging times around us, Mr. Speaker. I have not heard the minister specifically refer to these challenging times in recent weeks, Mr. Speaker, because I've heard him talk in glowing terms about the Saskatchewan economy and the resilience of the Saskatchewan economy.

I know that he made some reference the other day to recession in the province of Saskatchewan. But indeed, I think the public understands that, whether or not we feel it generally, or that the statistics of three months ago, six months ago, and a year ago, bear out that Saskatchewan is a better place today economically than it has been, these are challenging times, Mr. Speaker. And we must ensure that we are aware of what the future looks like, Mr. Speaker, as opposed to the past, recent or otherwise.

So, Mr. Speaker, our financial institutions in this province, that being those regulated by the province — the credit union sector, Mr. Speaker — have to engage in a world that is affected by economic circumstances outside our borders, and many times the impact that that has in our communities.

And so, Mr. Speaker, if the credit union has made acquisitions and there are losses that are brought into that acquisition for the credit union, this legislation has some impact on the credit union itself. Mr. Speaker, we will have to spend some time to investigate this impact. We want to ensure that we are protecting those who are investing in our communities, particularly our rural communities, and that often is the credit unions and the affiliates of the credit unions.

So, Mr. Speaker, I want the government to know we will consult, we will ask some questions, we will seek clarification on those questions and the implications of this Act. And, Mr. Speaker, we will certainly bring the results of that consultation back to the Chamber, back to the government, and certainly through the committee process when this legislation finds itself there.

So, Mr. Speaker, that having been said and knowing that it will take some time to complete our consultation on this, I move now that debate on Bill 88, *An Act to amend the Corporation Capital Tax Act* be now adjourned.

**The Deputy Speaker:** — The member from The Battlefords has moved adjournment of debate on Bill No. 88, *The Corporation Capital Tax Amendment Act, 2009*. Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Deputy Speaker:** — Carried.

## ADJOURNED DEBATES

### SECOND READINGS

#### Bill No. 46

[The Assembly resumed the adjourned debate on the proposed motion by The Hon. Mr. Stewart that **Bill No. 46** — *The Labour Market Commission Amendment Act, 2008* be now read a second time.]

**The Speaker:** — I recognize the member from Moose Jaw Wakamow.

**Ms. Higgins:** — Thank you very much, Mr. Deputy Speaker. It's a pleasure this afternoon to rise and enter debate on Bill No. 46, an Act to amend the Labour Market Commission.

Mr. Speaker, this has caused a number of concerns right across the province in a variety of sectors. And when we look back at the history of the Labour Market Commission, how it was established in 2007 and formed on the basis that labour market planning and coordination is best achieved through some partnerships between labour, business, education, training institutions, government, and other stakeholders, and that there was a need within the province to have a more coordinated approach and a better set of plans put in place to make sure that we had the labour market that was appropriate to our growing economy.

So, Mr. Deputy Speaker, even in 2007 we recognized the need that there was many improvements happening in the province of Saskatchewan, and there needed to be some comprehensive plans put in place so we would have better planning going forward. And even now, Mr. Deputy Speaker, when we see that our economy has slowed down somewhat, we're still on the positive side here in the province of Saskatchewan. But we know it has slowed considerably and we are seeing concerns right across North America and, in fact, across the world.

Any of the experts will tell you that during a time of slower economic activity is a time when you should be continuing on with your planning, continuing on with your training, and building for the point in time — which will inevitably happen — when the economy will take off again and there is a need for the skills and training that you have been working on.

But instead of trying to play catch-up during the busy times in the economy, we need to continue on with training and planning to make sure that, during these slow times, we work to prepare for when the economy begins again to pick up.

So there was a fair bit of surprise, Mr. Deputy Speaker, when we saw the legislation that in effect ends the work of the commission and rolls it over into this huge corporation called Enterprise Saskatchewan, which we're not quite sure of any results as of yet — after 16 months being in place — other than growing a great number of commissions and committees and sector initiatives. But we haven't seen actually anything concrete come out of it. So there is a number of concerns when we see the board from the Labour Market Commission, some very well-respected people in our community, that had put in a great deal of work and offered their advice and their guidance in moving ahead with the commission when it was first established.

And there really was a number of things that were considered when we look at the establishment of the Labour Market Commission, and it really was to conduct a labour market issues analysis and define some labour market priorities for across the province and really define and lay out what barriers that limit labour market attachment, what's specific to Saskatchewan, and what other issues did we need to deal with and have a look at in the province. And they really put forward some evidence-based solutions.

So it actually was quite successful, did a great deal of work, and my understanding is that one of their major reports is being completed soon. And I truly hope that the minister and the government will look at that report, take its advice. Like I say there's been a great deal of work that's been put into this whole

issue by some very dedicated citizens from a variety of areas across the province.

And if they're looking at skills shortages and labour supply and demand, and I think we will all recognize — and I'm hearing some comments from the report that's been compiled and the work done by the commission — that there is some expectations that these issues will continue to represent some major challenges for the province of Saskatchewan, and that skills shortages will be a major economic issue over the next decades. So this isn't a quick fix.

We cannot fix it all by encouraging people to immigrate or move to the province of Saskatchewan. We need to make sure that we are putting in place the proper foundation for residents of the province so they have the accurate information and the accurate counselling and ability to access the training and education that they need to fill jobs that are required in the province of Saskatchewan.

So now there are a number of agencies impacting the labour market. And no single agency has responsibility for everything. So when we first put the Labour Market Commission in place, I think everyone recognized that there was a need to really connect the dots within our labour market here in the province of Saskatchewan, and that planning and labour market coordination needed to be achieved. And that was decided that there needed to be some partnerships put in place so we had representatives from the labour community, the business community, and government. And it was recognized at that time that there was also a need for labour, business, and government to collaboratively tackle some of these hot issues. So this partnership was put in place.

And like I say, Mr. Deputy Speaker, we've seen a great deal of work come forward. And we are expecting a more long-term report on market conditions here in the province of Saskatchewan shortly. And I truly hope that even though these changes are being proposed by the minister, that they will carry on with the work that's been started by the commission. Because there has been a great deal of groundwork that's been done — very good groundwork. So I truly hope that the minister does move ahead with that information, and whatever reports and recommendations that the Labour Market Commission made to the minister, that they will move that forward.

It really makes no point at this . . . well, it makes no sense at this point in time that the minister for the pure fact of doing away with something that the previous New Democratic government created and worked hard to make successful, to purely get rid of it because it was an organization and an initiative that was begun during the time of the previous government.

[16:15]

And we've seen that on a couple of occasions where it seems to be just to get rid of previous initiatives and to rebrand them as coming from the new government. They will go through this process of ending a program and then revitalizing it and starting it under a different brand. But quite often, Mr. Speaker, it will be same program, same legwork that was done previously, same

basis that the program is launched, with some pretty minor, with some pretty minor changes.

Mr. Speaker, there's a couple other areas that are a bit of a concern. When they're rolling this commission into Enterprise Saskatchewan, there's a couple of changes that they have made. It looks like they're doing away with any of the current Labour Market Commission advisory councils. We don't know if they will be maintained or not. And also representatives that are on these councils, whether it's from youth, poverty groups, women's groups, disability persons, advocacy groups, the immigrant community, there is a definite move to abolish any of the . . .

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

**Mr. LeClerc:** — Leave to introduce a guest, Mr. Speaker.

**The Speaker:** — The member from Saskatoon Northwest has asked leave to introduce guests. Is leave granted?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Agreed. Carried. I recognize the member from Saskatoon Northwest.

#### INTRODUCTION OF GUESTS

**Mr. LeClerc:** — Mr. Speaker, to you and through you to the Assembly, I'd like to introduce a friend of mine, Mr. Don Funk, in the west gallery. Don is the Chair of the Saskatoon Mayor's Prayer Breakfast, and a good friend of mine; the manager of a Canadian Tire auto; and has been, through the years, a great supporter of Teen Challenge and a stalwart in our city and in the Christian community. I welcome him to his Assembly today, and welcome all members to welcome with me to him.

**Hon. Members:** — Hear, hear!

**The Speaker:** — I recognize the member from Moose Jaw Wakamow.

#### ADJOURNED DEBATES

#### SECOND READINGS

#### **Bill No. 46 — *The Labour Market Commission Amendment Act, 2008*** (continued)

**Ms. Higgins:** — Thank you very much, Mr. Speaker. I'll pick up where I left off. I was talking about one area of concern with the changes that look like they're being proposed for the Labour Market Commission, in that instead of having a broad cross-section of our population represented on the advisory councils, that this whole area that addresses the social economy, board positions are being abolished. So no more will we have any representatives or any voice on Labour Market Commission and what's the best to access, what training, what programs, and that two-way discussion and communication that needs to take place to make sure that we're truly successful, that the people in this province have an opportunity to be truly successful. That position is gone.

And it really is a loss to the board, I must say, Mr. Speaker, because often I know in my work life we would often say, well why don't the bosses come and talk to us on the shop floor because we work with it day to day, we understand the day-to-day issues, and we should have some input into what happens to long-term programs and into issues that directly affect those people. And, Mr. Speaker, that's what's happening here. Those folks that are directly impacted by this are being left off any consideration or having any input.

Mr. Deputy Speaker, the government has a responsibility to help Saskatchewan meet the many challenges that come with economic growth, and we also have to help citizens meet with challenges that they maybe faced in their day-to-day life, and to be able to access a better future and be a contributing member of society.

Mr. Speaker, people in Saskatchewan want to be active participants in our economy. Some may need a little more supports, some may need a little bit more help and guidance in getting there. But people truly want to be active participants in our economy and contribute to the province, and it really is the responsibility of the government to make sure that those supports are there, that the resources are there to make sure that we do the best we can for the people we represent, wherever they are in this province.

Mr. Speaker, we have a great deal of respect for the work that the labour commission has done in this province. There is some disappointing changes that are coming forward with it, rolling over into Enterprise Saskatchewan. Again I'd like to express, I truly hope the minister will carry on with the work that the Labour Market Commission has done and maybe will give a little more consideration to expanding the representation and the voice that is present on whatever sector team will be responsible for this, the labour market strategy in the future. It is an area that we need to keep working on in this province. We have a long ways to go to make sure that we have that secure and stable marketplace. It's too bad that the work has ended but, Mr. Speaker, we will continue on and I'm sure there will be many more questions that we will have in committee. Thank you.

**The Speaker:** — The question before the Assembly is the motion presented by the Minister Responsible for Enterprise and Innovation, that Bill No. 46, *The Labour Market Commission Amendment Act, 2008* be now read a second time. Is the Assembly ready for the question?

**Some Hon. Members:** — Question.

**The Speaker:** — Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Agreed. Carried.

**Clerk:** — Second reading of this Bill.

**The Speaker:** — To which committee shall this Bill be referred?

**Hon. Mr. Gantfoer:** — Mr. Speaker, to the Standing Committee on Human Services.

**The Speaker:** — The Bill stands referred to the Standing Committee on Human Services.

### Bill No. 45

[The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Morgan that **Bill No. 45 — *The Credit Union Amendment Act, 2008*** be now read a second time.]

**The Speaker:** — I recognize the member from Saskatoon Meewasin.

**Mr. Quennell:** — Thank you very much, Mr. Speaker. It's a pleasure to rise and speak on *The Credit Union Amendment Act*, primarily because it's a pleasure to speak about our province's credit unions, which I want to do in a way that I think is quite relevant and salient to the Bill before us.

The credit unions of course are institutions, financial institutions, that were extremely important — fundamental might be a better word, Mr. Speaker — to the establishment and development of our province and of its economy and similar institutions across the country, particularly in rural parts of Canada. Very fundamental, like the co-op movement generally to the establishment of local and then wider provincial economies. Because credit unions were formed by the people who lived here, governed by the people who lived here, and were to a certain extent creatures of necessity, Mr. Speaker.

Larger financial institutions didn't have interests necessarily in these developing small local economies, didn't have institutions or branches here, therefore didn't understand necessarily the needs of, and the opportunities, but the needs of the people here, the opportunities that the people here provided for themselves but also for those that were willing to invest in them and provide them with credit. And the credit unions filled that gap and fill that gap very well, Mr. Speaker, and to this day, I think, are seen as exemplary institutions within our province. I don't believe that a person has ever lost a penny on deposit in a credit union in Saskatchewan, Mr. Speaker.

The Canadian deposit insurance fund is and has been, continues to be irrelevant as far as deposits at credit unions, Mr. Speaker. It may have had to be used on occasion to protect somebody's deposit in a bank, but it has never had to be used to protect somebody's deposit in a credit union. The credit unions have always ensured that that was the case themselves, Mr. Speaker.

And in this province, very importantly, the credit union movement stuck by agriculture in good times and in bad times, Mr. Speaker. And I know that as Justice minister, when I regularly met with the Credit Union Central and the central governance of the credit unions, that the state of the agricultural economy, conditions in rural Saskatchewan as well as urban Saskatchewan, always top of mind with credit unions. And credit unions of course were invested financially in that industry, in that economy, on a local level across the province, community after community after community, whatever the conditions were.

And we have seen over the last few years as other financial institutions abandon communities, credit unions stay and in many cases move in to replace bank branches that have left communities. Their social commitment, their broader commitment to community organizations — and I think of my local credit union in Saskatoon in the area of, say, innovations like micro lending, Mr. Speaker — I think is not outdone by any large banks that act in our province. They are leaders in that respect as well. And they are not stodgy, old financial organizations at all. They are the sources not only of social innovation, but technological innovation. Mr. Speaker, the ATMs [automated teller machine], Mr. Speaker, were brought to Saskatchewan, automated tellers were brought to Saskatchewan not by bank A or bank B, Mr. Speaker. They were brought to Saskatchewan by credit unions. Very important institutions and institutions that have been responsible, trustworthy, and which have people's trust.

Now, Mr. Speaker, this Bill deals with the governance and regulations of the credit unions and the institution that oversees the credit union movement. And I think it is a proper concern of this government, as it was of the previous government, continues to be a concern of the Ministry of Justice — following its changed name from the Department of Justice, but a concern that predates any change in government — although the people involved in the governance of the credit union system obviously were people of high integrity who carried out their responsibilities with judgment and with honesty and with the best interests of the credit union and the public in mind, Mr. Speaker.

And quite frankly credit unions have to be conservative. That's the way they're funded. That's the way they're structured. That's the powers they have. They had to be conservative in lending and, therefore, leave riskier type of lending to other institutions, Mr. Speaker. But if the global financial system, the global banking system, had been governed by the type of people that govern the credit union movement in Saskatchewan — and following the principles of probity and integrity and honesty and just good common sense that governed the credit unions of Saskatchewan — the world would be a much happier place right now, Mr. Speaker. There's no question about it.

What we have seen in New York and London, we have not seen from credit unions in Saskatoon and Regina. And a lesson could be learned by a number of Masters of Business Administration from people who run the credit unions of Saskatchewan.

That said, it's not only important that we continue with the type of governance that we have seen in our credit union movement, but that it be seen as a rational, independent, autonomous, fair governance. And the board of, I guess what you would call CUDGC [Credit Union Deposit Guarantee Corporation] for short, does not appear, I think, to be as independent of the institutions that's regulating as other similar boards do. And this Bill is attempting to make the necessary changes to bring this governance in line with modern principles of governance, not to correct any of the evils that have affected the banking system around the world, but to certainly again lead the way in showing how financial institutions should be governed.

The only question I think the opposition has is whether having decided to make this change, we're making exactly the right

change. Perhaps — and I'm not saying this is the case, Mr. Speaker — we'll be having a discussion in committee. And I am the last speaker from the opposition on this matter in second reading, so we'll be having that discussion relatively soon. But I think there needs to be a discussion quite appropriately, and the result may very well be that we all agree that this is on balance a good Bill. This is on balance a good makeup for the new board.

[16:30]

But there are appointments being made by Credit Union Central, independent people not affiliated with the credit union movement. Is this sufficient to assure the public that the credit unions are being governed in the most appropriate way, or should these appointments be made by the public? I'm not answering that question, Mr. Speaker, yes or no. I don't want to raise any concerns in the credit union movement that I don't have confidence in how they're governed. I hope my remarks have suggested I have great confidence in them.

But for the interests and the protection of the wider public, the details of how this option was chosen from the range of options that were before the government need to be discussed in, not in a partisan way, not in an adversarial way, Mr. Speaker, but as a conversation, I think, between legislators who have on both sides of the House, certainly in the case of credit unions, the best interest of the credit union movement and the best interest of the public in mind, Mr. Speaker.

So that's the approach that the opposition will be taking into the committee discussion, Mr. Speaker. Strong support and understanding of the role that credit unions play in our financial system, understanding the desirability of ensuring modern governance principles govern the regulation of the credit union system, and wanting to make sure that those principles — support for the credit union movement, support for modern governance — are reflected as well as they possibly can be in this legislation. Thank you very much, Mr. Speaker.

**Some Hon. Members:** — Hear, hear!

**The Speaker:** — The question before the Assembly is the Bill presented by the Minister of Justice, Bill No. 45, *The Credit Union Amendment Act, 2008* be now read the second time. Is the Assembly ready for the question?

**Some Hon. Members:** — Question.

**The Speaker:** — Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Speaker:** — Agreed. Carried.

**Clerk:** — Second reading of this Bill.

**The Speaker:** — To which committee shall this Bill be referred? I recognize the Deputy House Leader.

**Hon. Ms. Harpauer:** — To Intergovernmental Affairs and Justice, Mr. Speaker.

**The Speaker:** — The Bill stands referred to Intergovernmental Affairs and Justice.

**Bill No. 51**

[The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Morgan that **Bill No. 51 — *The Provincial Court Amendment Act, 2008*** be now read a second time.]

**The Speaker:** — I recognize the member from Saskatoon Meewasin.

**Mr. Quennell:** — Thank you, Mr. Speaker. I believe I'm also the last speaker from the opposition in respect to the second reading debate on this Bill as well, Mr. Speaker. And at the conclusion of my remarks, which may or may not be before 5 o'clock today, this matter as well can move on to committee.

I have, because of one provision of this Bill, some remarks to make about the role of the Provincial Court in the province of Saskatchewan, and some remarks to make about the role of the minister responsible for the Bill, and responsible for — in part at least — protecting the independence of our court. The Minister of Justice and the Attorney General, his role in bringing forward this legislation and his role generally in protecting the constitutional independence of that branch of government, and in particular the Provincial Court, which is a court appointed by the Lieutenant Governor in Council in Saskatchewan, upon the advice of the Judicial Council; a matter that I might touch upon as it's touched upon in this legislation.

I have said on many occasions within the Provincial Court, upon the appointment of Provincial Court judges, and on at least one occasion in this Chamber, that I believe in a very real and practical way, the Provincial Court is arguably — and I would argue in many ways, in many real and practical ways — the most important court.

Now, Mr. Speaker, when one picks up a legal argument written by an academic or by a lawyer in making an argument for a client, and the authority for the proposition as to what is the law, how a law should be interpreted or what the law is, is a Provincial Court judgement. You know that the state of law — assuming that is the highest authority — the state of law is far from decided, Mr. Speaker. The law is more or less decided when the Supreme Court says that that's what the law is. The Supreme Court can change its mind. Perhaps our Supreme Court should change its mind more often, Mr. Speaker, in my opinion, but I would be digressing.

But certainly there are levels of appeal beyond the Provincial Court, and what the Provincial Court decides the law is. How does a Provincial Court judge interpret this provision or that provision of the Charter of Rights and Freedoms, for example, may be very important in the case where she makes that decision, but hardly decides the law. And if the matter is appealed, either in that case or another case, and a Court of Appeal, ultimately the Supreme Court of Canada, arrives at a different decision, Mr. Speaker, then the law is not what the Provincial Court judge said that it was.

And so why, Mr. Speaker, would I argue that the Provincial

Court is such an important court. And the reason I would argue that, Mr. Speaker, and the reason I believe that is that 90 per cent of criminal cases are decided by the Provincial Court. Small claims, which after the actions of our government while I was Minister of Justice, now go up to \$25,000 a year, I believe, or are at least approaching towards that number — that was the goal that I had set — all those cases, Mr. Speaker, go before the Provincial Court.

So most accused, the vast majority of accused, most victims, and most self-represented litigants — people who cannot afford lawyers, either just because they can't afford lawyers or because the amount involved doesn't warrant paying a lawyer on a cost/benefit analysis — most of those people, accused, victims, self-represented litigants, they end up before the Provincial Court.

And even in matters — most matters, there may be a right to appeal — but even in matters where there is technically, legally a right to appeal, to go perhaps as far as the Supreme Court of Canada in theory to determine what the law truly is, for most of those people, Mr. Speaker, there is, for all practical matters, no real right to appeal. It's not something they can afford. Perhaps it's really not worth it to them to correct what they feel was an injustice, but still may very well have been an injustice. But the practical, the resources to appeal, the will to appeal, to continue to work in a system that, I mean, lawyers can find frustrating, Mr. Speaker, that's just not there.

And so any arbitrariness, any harshness, any lack of appropriate discretion on the part of a Provincial Court judge can be the one and only consequence to someone who may very well be a member of . . . Given who the Provincial Court deals with, particularly accused, particularly victims who are disproportionately Aboriginal as well, disproportionately poor, and self-represented litigants — these are the people who don't get a lot of second chances in life, Mr. Speaker. And if they don't get a fair shake by a Provincial Court — maybe the only court they'll see, perhaps the only court they see, likely in many cases the only court they see — then the justice system has not been fair to them.

And how our Provincial Court judges interpret the Charter of Rights and Freedoms for example; interpret the rule of law, for example; interpret legislation to protect and advance the interests of victims, for example; Mr. Speaker, is crucial. Whatever a higher court judge might say, if that interpretation and the benefit of it is not enacted in practice by our Provincial Court judges — in these vast majority of criminal cases, vast majority of small claims cases, Mr. Speaker, for victims and accused and self-represented litigants alike — then those rights, those freedoms, those protections guaranteed by law are not really guaranteed for the people who need them most and who look to the only court to which they have in all those circumstances, real access, and all those courts where they will personally appear, Mr. Speaker, instead of sending an advocate to come bat for them in a higher court, in those rare cases where they in fact can do and do do that, Mr. Speaker. And that's why I say the Provincial Court is such an important court.

It is vital, I think, a vital part of the job of the Judicial Council in Saskatchewan and a vital job of the Lieutenant Governor in Council, but in particularly a vital job of the Attorney General

to concern himself with the quality of appointments to this court, for all the reasons that I've outlined.

Mr. Speaker, this is not a work that one would necessarily entrust to anybody who meets the bare minimum qualifications of having received a law degree and practised for 10 years, Mr. Speaker. It simply is not. And I know that when I became Attorney General of the province of Saskatchewan, the quality of those appointments was of fundamental importance. And as a matter of fact, through series of coincidences, Mr. Speaker, many of them unfortunate circumstances, I ended up being the Attorney General responsible for appointing approximately one-third of the court in a four-year period. I hope that, not only maintaining the standard, the high standard of the Provincial Court, but that I enhanced the standard of the court by those appointments.

I think four appointments have been made by the current Attorney General. I would assume from the quality of his appointments that he has a similar ambition to maintain, if not enhance, the quality of the Provincial Court. And given that I may have some criticisms, albeit constructive, of the Minister of Justice in these matters, I do want to recognize that that is my impression of what he has been doing and commend him for that and, Mr. Speaker, to encourage him to encourage him to continue to conduct himself in that way and to make the best possible appointments to this court.

And, you know, for members who may not have heard my remarks about the value of the Provincial Court, I will not return to them, Mr. Speaker. I don't want to be repetitive and I know the Speaker won't allow me to be repetitive in that respect. But I do want to reaffirm the importance of those remarks. Because I do want to come to the provision that is in this legislation and why it's in this legislation, why I don't think it's appropriate provision, Mr. Speaker, and what I fear that it is indicative of. And I hope that I am mistaken, and certainly it's not a road that if the Attorney General is going down it, he can't turn back. He certainly can, Mr. Speaker.

There is a provision in this legislation that would allow the Judicial Council to continue to investigate a judge who is no longer a judge, a judge who is retired from the bench, despite the fact that the Judicial Council has no sanction. The highest sanction of the Judicial Council against a judge who has in some way become unfit to hold office is to recommend to the Attorney General that that judge be removed from that office. There's no other sanction beyond that. And so where a judge removes himself from that office himself or she removes herself from that office, there is no other sanction.

[16:45]

And the minister in his public comments about this Bill said that he didn't think it appropriate, now that he's minister, to add any other sanction. So we have the prospect when this becomes law, as it will — the government has a majority and I don't think they're inclined to retreat from this provision; I doubt it very much because of the reasons why I think it's here — there'll be a provision that says the Judicial Council can do something that a Judicial Council would never do. Nobody is going to sit and investigate a person who is no longer a member of and no longer falls under the governance, is no longer subject

to any sanction of that professional body.

The Law Society is not going to investigate someone who is now outside of their jurisdiction and to whom they can impose no sanction. Mr. Speaker, that is not the work for serious people to investigate matters that aren't of their real concern and which they cannot address. Police services are not going to investigate matters that they cannot address, that they cannot discipline because the person is retired. And the legislation doesn't allow them to pursue that person beyond their retirement. It's not going to happen, Mr. Speaker.

And it is noteworthy, it is noteworthy that of the perhaps dozens of pieces of legislation governing, governing professions in particular, Mr. Speaker, and the investigation of offences and the discipline of members, that the government has not proposed amendments to the investigation or discipline of anybody else in any other profession or occupation that would otherwise be outside the jurisdiction and would still be beyond the sanction of that governing body except Provincial Court judges, Mr. Speaker. Why Provincial Court judges?

Now unfortunately police officers and lawyers are being disciplined all the time, Mr. Speaker — far too often for me as lawyer to feel comfortable about. Although in a way I do feel comfortable about it, Mr. Speaker, because I know I belong to a profession that's self-governing, that takes self-government seriously, that investigates when there are complaints, and disciplines when there are infractions. And so I can be unhappy that members of my profession don't always rise to the standard that I would like them to, but I'm happy that my profession holds them to account.

But no amendment as to expanding the jurisdiction of the Law Society in respect to discipline of non-lawyers, no . . . And there have been cases in Saskatchewan where the behaviour of someone, when they were a lawyer before they were appointed to the bench, comes into question and the Law Society says, well there's nothing we can do about it now. He's now a judge, not a lawyer any more. We can't do anything about it.

Does the government move to correct that? No, Mr. Speaker. Does the government move to correct this discrepancy, this problem in any case where there are regular requirements for investigation/discipline? No, Mr. Speaker, they don't. Where do they make this proposal, Mr. Speaker? To whom? For judges? And why, Mr. Speaker?

Two judges in all the time I've practised law in Saskatchewan — 20 years, Mr. Speaker, or so, perhaps a little bit more, Mr. Speaker — in all that time, Mr. Speaker, two judges have retired rather than be suspended by the Judicial Council — two. And that is not exactly a great evil compared to what the investigations/disciplines that are needed to conduct other very worthwhile, very well-staffed professions and occupations within the province. But it does point to the fact that if you care about the quality of the court, Mr. Speaker, you don't often have to address the matter in a disciplinary way afterwards, and these are very rare circumstances, Mr. Speaker.

The second of them and the most recent of them is what gives rise to this amendment, Mr. Speaker. And this amendment, and my remarks will make this quite clear, this amendment is in my

view — I think it's the only defensible view, Mr. Speaker — this amendment is an act of political face-saving on the part of the current Minister of Justice. That's the only explanation for it, Mr. Speaker. The provision will not be used. The provision will hardly ever arise, Mr. Speaker. I would hope that the quality of the court, I think which is if anything improved over the years, will ensure that it very rarely arises, and when it does arise, Mr. Speaker, a Judicial Council is not going pursue a judge who has left the bench voluntarily — not willing to be removed from the bench — beyond, Mr. Speaker.

When Charles II returned to England, he was very disappointed to find that Oliver Cromwell had died of natural causes, Mr. Speaker. And so he dug him up and hung his corpse, Mr. Speaker, and that is what this would suggest the Judicial Council reduce itself to. That it would punish somebody with an investigation when they have escaped all real sanction because they are removed from the jurisdiction of the Judicial Council as Oliver Cromwell was removed, except for his bodily remains, from the jurisdiction and power of Charles II, Mr. Speaker.

And so why are we doing this? Why are we doing this, Mr. Speaker? Well the reason we're doing this is because the members opposite — not all the members opposite; some of them weren't here at the time — but prior to the last election when the Minister of Justice was the Justice critic, the members opposite, and I believe for reasons that I will get into, really without the approval, certainly without the comfort of the Justice critic, wanted to play cheap politics with the uncomfortable position in which the last, most recent member of the Provincial Court resigned when he was under investigation by the Judicial Council.

Mr. Speaker, and what that case certainly points out in the case of judges, but probably in the case of attorneys general as well, Mr. Speaker, is that no set of laws, no set of rules is a replacement for character and the exercise of good judgment. And when character and good judgment fail, Mr. Speaker, human beings have to make decisions. And when the exercise of good judgment fails in the case of a judge, Mr. Speaker, then how is that going to be dealt with? In an attempt to maintain the principle of independence of the court, how is that to be dealt with?

Well we have a way of dealing with it, Mr. Speaker, and that is through the work of the Judicial Council. And their governance, their independence has to be accepted, and it has to be accepted in spirit, Mr. Speaker. And when I come to talk about why this proposal is a troubling indication, I will return to that.

I said at the time, Mr. Speaker, when members of the opposition as then they were, through the Justice critic, raised the matter of the investigation of a judge in the Legislative Assembly in question period, after the Justice critic volunteered to me that he did not think that was appropriate, Mr. Speaker, I said at the time to the press, who asked the question: well do you think judges shouldn't be held to the same standard as everybody else? I said, Mr. Speaker, no I do not think they should be held to the same standard as everybody else. With respect to police officers, with respect to lawyers, with respect to teachers, with respect to almost anybody in our society, I think judges should be held to a far higher standard than anyone else, Mr. Speaker.

It is a privilege — a privilege — to sit here, in this branch of government. It is a privilege to sit on the bench. It is a privilege to sit on the Supreme Court of Canada. But for reasons that I've outlined already at the beginning of my remarks, it is a privilege and an honour to sit in the Provincial Court of Saskatchewan. To paraphrase Winston Churchill, with that privilege, with that honour, comes responsibility. It is also, as well as a privilege and honour, a great responsibility and a great trust.

And it was very clear, and the issues that were raised in that case were referred by the then minister of Justice, by me, to outside prosecutors, prosecutors in Alberta. It was clear in that case that there had not been criminal conduct on the part of that judge. And that would become clear in a criminal case involving other accused later, and it did become clear. And it all became part of the public record, and the judge in this case testified as a witness in that case, Mr. Speaker.

But that's not the end of the question because our standard for judges should not be whether their conduct is criminal or not, Mr. Speaker. That's not the standard to which we should hold ourselves in this Chamber. It's not the standard to which we should hold those to whom we appoint to the court. We need to hold them to a much higher standard than that, Mr. Speaker, and it requires an exercise of character. It requires an exercise of integrity. Most of all, I think in these circumstances, it required an exercise in judgment that I am quite disappointed, was very disappointed at the time, Mr. Speaker, to find was not there.

And I speak on some of these matters of my disappointment in respect to what brought this provision to us. Not so much in the anger I felt at the day, Mr. Speaker, months and years ago, but still with considerable sadness, Mr. Speaker, that someone who is entrusted with a great deal of trust and responsibility failed in that trust and failed in that responsibility. And it is rare, but for those very good reasons the matter came before the Judicial Council. We'll never know, but I expect, and I expect that the subject of the investigation had the same suspicion, that this would have resulted in a recommendation to the attorney general — at the time, me — to remove the judge from office, Mr. Speaker. And any matter that would do that is indeed a serious matter.

Now I make those remarks to assure everybody in this Chamber that my opposition to this provision, my concerns about the motives of the government in bringing this provision forward, do not arise from any desire to protect or explain away conduct that required this investigation, that would have required . . .

**The Speaker:** — Being the time of adjournment, 5 p.m., this House stands adjourned until tomorrow at 10 a.m.

[The Assembly adjourned at 17:00.]



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**Hon. Christine Tell**  
Minister of Tourism, Parks, Culture and Sport  
Minister Responsible for Capital City Commission