

The Assembly met at 13:30.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Kwiatkowski: — Thank you, Mr. Speaker. I rise on behalf of citizens of northeast Saskatchewan concerned about the condition of Highway No. 23 west from the Junction of No. 9 to the town of Weekes. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take immediate action and make necessary repairs to Highway No. 23 in order to avoid serious injury and property damage.

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

This petition is signed by citizens of Porcupine Plain and Somme.

I so present, Mr. Speaker.

Ms. Draude: — Mr. Speaker, I rise today to present a petition on behalf of people who are concerned about the tobacco legislation:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately amend tobacco legislation that would make it illegal for anyone under the age of 18 to be in possession of any tobacco products; and furthermore, anyone found guilty of such an offence be subject to a fine of not more than \$100.

The people that have signed this petition are from Wadena and Kelvington.

Mr. Gantfoer: — Thank you, Mr. Speaker. I rise this afternoon on behalf of citizens concerned about the shortcomings in the tobacco legislation. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately amend the tobacco legislation that would make it illegal for anyone under the age of 18 to be in possession of any tobacco products; and furthermore, anyone found guilty of such an offence would be subject to a fine of not more than \$100.

Signatures on this petition this afternoon, Mr. Speaker, are from the communities of Melfort and Tisdale.

And I'm happy to present on their behalf.

Mr. Bjornerud: — Thank you, Mr. Speaker. I have a petition today to do with overfishing at Lake of the Prairies. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to work with the federal government, First Nations representatives, and with other provincial governments to bring about a resolution in the Lake of the Prairies situation and to ensure that our natural resources as a whole are used in a responsible manner by all people in the future.

The communities involved, Mr. Speaker, are Esterhazy, Whitewood, and Saltcoats.

Mr. Stewart: — Thank you, Mr. Speaker. I rise to present a petition signed by citizens concerned with the dangerous and deplorable condition of Highway 58. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take immediate action and make necessary repairs to Highway 58 in order to avoid serious injury and property damage.

Mr. Speaker, this petition was signed by individuals all from the community of Chaplin.

I so present.

Mr. Brkich: — Thank you, Mr. Speaker. I have a petition here from the citizens from the town of Elbow concerned about Highway 42:

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

As in duty bound, your petitioners will ever pray.

Mr. Weekes: — Thank you, Mr. Speaker. I have a petition from injured workers who are not being covered by WCB (Workers' Compensation Board). The prayer reads:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to acknowledge the concerns of the taxpaying citizen by causing the Government of Saskatchewan to ensure that absolute fairness and equitable treatment be given to those injured and disabled people and their families, and be diligent in this most urgent matter.

As is duty bound, your petitioners will ever pray.

Signed by the good citizens of Saskatoon, Osler, and North Battleford.

I so present.

Mr. Hart: — Thank you, Mr. Speaker. Mr. Speaker, I have a petition from constituents concerned with the boundaries of the new regional health authorities. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary action to ensure the best possible health care

coverage for the communities of Govan, Duval, Strasbourg, and Bulyea, by placing those communities in the Regina regional health authority as opposed to the Saskatoon regional health authority.

Signatures to this petition, Mr. Speaker, come from the town of Govan.

I so present.

Mr. Huyghebaert: — Thank you, Mr. Speaker. Mr. Speaker, today I rise with a petition from citizens concerned about the lack of cellular telephone coverage in rural Saskatchewan. The petition reads as follows:

Wherefore your petitions humbly pray that your Hon. Assembly may be pleased to cause government to provide reliable cellular telephone service to all communities throughout the Wood River constituency.

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

And, Mr. Speaker, this is signed by the good folks of Kincaid.

I so present.

READING AND RECEIVING PETITIONS

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

A petition concerning the placement of the communities of Govan, Duval, Strasbourg, and Bulyea in the Regina health authority as opposed to the Saskatoon health authority; and

Addendums to previously tabled petitions being sessional paper nos. 23, 59, 132, 134, 157, 164, and 165.

PRESENTING REPORTS BY STANDING, SELECT AND SPECIAL COMMITTEES

Standing Committee on Public Accounts

Mr. Krawetz: — Thank you very much, Mr. Speaker. Mr. Speaker, it is a privilege to stand in the House this afternoon on behalf of the members of the Public Accounts Committee to present the third report of the twenty-fourth Legislative Assembly — the Public Accounts report to this Assembly.

Mr. Speaker, at the end of a few comments, I will be moving a concurrence motion to that effect.

Mr. Speaker, your committee has worked diligently for a . . . throughout the first, second, and third sessions of the twenty-fourth legislature, and this report will contain all of the information from each of those sessions.

Mr. Speaker, we've had the opportunity to conclude our examinations of a number of reports from 1999 and 2000, and the bulk of the work from 2000 Fall Reports and 2001 Spring Reports are done, but there are still some specific topics that need to be looked at. In fact, we have deferred examination of one topic until an investigation is completed.

Mr. Speaker, throughout the term, we've had a number of members of the Legislative Assembly sit on the Public Accounts Committee. And I wish to thank the — approximately, I believe — 10 members from the government have served on the Public Accounts Committee and 5 members from the opposition. And of course with the adoption of the rule back in April, 2000 that permitted temporary substitution of members, we've had a great deal of other members on both sides of the House sit in for members when they were absent. So I want to express my appreciation as Chair of Public Accounts to all of those members for helping us do our work.

I want to also thank all of the staff from the Clerk's office, from the auditor's office, from the comptroller's office for assisting us in doing our job.

Mr. Speaker, therefore I would move, seconded by the Vice-Chair, the member of Regina Northeast:

That the third report of the Standing Committee on Public Accounts be now concurred in.

I so move.

Motion agreed to.

NOTICES OF MOTIONS AND QUESTIONS

Ms. Harpauer: — Thank you, Mr. Speaker. Mr. Speaker, I give notice that I shall on day no. 71 ask the government the following question:

To the minister of Public Service Commission: how many employees does the Government of Saskatchewan have in management support group 1?

And there is a number of questions in the same concept, Mr. Speaker.

Mr. D'Autremont: — Mr. Speaker, I give notice that I shall on day no. 71 ask the government the following question:

To the Minister of Corrections and Public Safety: what are the names of the people currently employed in the office of the Minister of Corrections and Public Safety, and for each person what is their title, and what is their annual salary?

I also have questions for all of the departments of the same nature, Mr. Speaker.

I so present.

INTRODUCTION OF GUESTS

Hon. Mr. Cline: — Thank you, Mr. Speaker. Firstly, I see in your gallery today some representatives of the Saskatchewan Federation of Police Officers who I'd like to introduce to you and through you to other members of the Assembly. And I had the pleasure of meeting at least one of them, accompanied by another police officer who's not here at the moment, this morning.

And specifically — and I'd ask them to rise as I call their name

— we have from Saskatoon, Brent Penner and Patrick Nogier and Wayne Walker, who I had the pleasure of meeting this morning. And I understand they're accompanied by Bernie Eiswirth, who's the executive director of the federation.

And I know all members appreciate the good work that these individuals and their colleagues across the province do on our behalf each and every day. And I know all members will want to join with me in welcoming them to the legislature today.

Hon. Members: Hear, hear!

Hon. Mr. Cline: — And while I'm on my feet, Mr. Speaker, if I can make another introduction. I see in your gallery also an old friend of mine who is Mr. Rik Steernberg, who is a city councillor in Saskatoon, and I think is in his third term. And I have every confidence, Mr. Speaker, that Mr. Steernberg will be involved in local politics for a long time to come.

And I'd like all members to join with me in welcoming Rik to the legislature today.

Hon. Members: Hear, hear!

Mr. Heppner: — Thank you, Mr. Speaker. I too on behalf of the official opposition would like to welcome the people we have here this afternoon from the Federation of Police Officers. We really appreciate the work that they do for us and for the people of this province on a day-to-day basis, especially when it's not on a personal basis as the Minister of Finance just mentioned in his particular case.

So we welcome them here this afternoon and look forward to meeting with them a little later on. Please join me.

Hon. Members: Hear, hear!

Ms. Eagles: — Thank you, Mr. Speaker. Mr. Speaker, to you and through you to all members of this Hon. Assembly, I'd like to introduce 26 grade 4 students from Hillside School in Estevan. They are seated in the east gallery.

And these students are accompanied by teachers Mrs. Barlow and Mrs. Murray, and chaperones Mrs. Hovind, Mrs. Haas, Mrs. Shirley, and Mrs. Dyck. I ask all members to join me in welcoming them.

Hon. Members: Hear, hear!

Mr. Gantfoer: — Thank you, Mr. Speaker. I would like to introduce the rest of the students in the east gallery this afternoon, Mr. Speaker. They come from Melfort, the Broadway and Burke Schools. And as well as the 27 students that are here this afternoon, they're accompanied by their teachers from Burke School, Ms. Collette Hayward and Ms. Heather Wright. And from Broadway School, Mr. Randy Steciuk and Mr. Darrel Zary.

Mr. Speaker, they're here on an annual basis to come and visit the proceedings of the House and it's a great pleasure to introduce them and welcome them here. And I would ask all members to join me in welcoming them.

Hon. Members: Hear, hear!

Mr. Hillson: — Thank you, Mr. Speaker. Mr. Speaker, it is my honour to introduce to you an eminent citizen of Saskatoon, Mr. Rik Steernberg, seated in your gallery. I'd ask him to please rise.

He is a three-term popular councillor of the city of Saskatoon and now the Liberal candidate in Saskatoon Fairview. He is such a dynamic and powerhouse of a candidate I understand the present member for Saskatoon Fairview is so scared of his chances he's thinking of resigning. Oh in fact maybe he has.

But anyway, Mr. Steernberg is here this afternoon in the hopes of being edified in question period. I'd ask all members to welcome him here today.

Hon. Members: Hear, hear!

Mr. McCall: — Thank you, Mr. Speaker. I'd like to introduce to you and through you to the members of this legislature, one Tanner Morrison who's seated in the western gallery right now. If you could please rise, Tanner.

Tanner is finishing off grade 11 at O'Neill High School here in Regina. And in addition to being a wicked drummer with his band, he's also a championship debater. There's a trophy down the hall, Mr. Speaker, in the Legislative Library, where Tanner's name appears as the top debater — not once, but twice.

So I think we could all stand to learn a thing or two from Tanner. He certainly knows his way around these benches. Anyway if we could please give him a warm welcome, Tanner Morrison.

Hon. Members: Hear, hear!

Hon. Mr. Belanger: — Thank you very much, Mr. Speaker. I'd like to join my colleague in welcoming and recognizing Tanner Morrison.

And I would say in this Assembly at this day and age and this ... at this time, that this is a gentleman to watch for in the future. And I'd like to also welcome Tanner. Thank you very much, Mr. Speaker.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Wadena Resident Celebrates 100th Birthday

Ms. Draude: — Mr. Speaker, I'd like to congratulate Mr. William Reynolds from Wadena who is celebrating his 100th birthday today, June 20.

Mr. Reynolds was born in Scotland and immigrated to Elfros with his parents. He farmed in the Elfros area all his life and his neighbours tell me he was an excellent farmer. His passion was his black, Aberdeen-Angus cattle.

Upon retirement, he moved to Wadena with his sister. Mr.

Reynolds entered into the state of matrimony when he was 80 years young. He lived in his own home until four years ago when he moved into assisted living.

As a farmer, Mr. Reynolds had a daily exercise program as well as working. In retirement, he currently walks a half a mile daily to the cemetery where his deceased wife is interred.

Mr. Speaker, most of the things we take for granted in today's world, including electricity, cars, telephones, and running water, are new inventions since Mr. Reynolds was born in 1902. Things haven't . . . The things that haven't changed are the importance of family, friends, and lending a helping hand. Mr. Reynolds still values these priorities.

Mr. Speaker, I would ask the Assembly to join with me in wishing Mr. Reynolds a very happy 100th birthday and wishing him many, many more.

Some Hon. Members: Hear, hear!

Welfare Decline Continues in Saskatchewan

Ms. Jones: — Thank you. Mr. Speaker, the best social program is a job.

May marked the 90th straight month of decreasing welfare caseloads in Saskatchewan. This unprecedented reduction is the result of government efforts to assist welfare recipients to enter the workforce and provide additional support for low-income earners.

Between May 2001 and May 2002, welfare caseloads throughout the province have declined steadily. On average, 8 per cent. The decline is due to two factors. In 1997, this government declared war on poverty through its building independence program. Since then we have been winning the battle. Building independence has helped 6,000 families — including 13,000 children — leave the welfare rolls. Furthermore non-agricultural sectors of the economy have produced 35,000 jobs over the last six years. Building independence removes barriers people on welfare may experience when they try to take advantage of the economic opportunities in our province.

Based on this success we are expanding building independence to further support people as they move from assistance to employment. This includes 150 new daycare spaces and the recently announced Jobs First program. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Congratulations to Artesian School's Final Graduating Class

Mr. Stewart: — Thank you, Mr. Speaker. On May 31 the final grade 12 graduation ceremony was held at the Artesian School in Spring Valley, as grades 10 through 12 are being discontinued at the school. There have been children attending classes at Spring Valley since August 1914, when it was called the Artesian School District No. 3213.

As school districts gradually became consolidated and other schools closed, the facilities at Spring Valley became overcrowded. New buildings were moved in or added. The high school was first opened in 1938 and the present school building constructed in 1958. Grade discontinuance of 10 through 12 was a sad event for the Artesian School.

There have been many successes to celebrate in Spring Valley although the resources may have been somewhat limited at times. Students have always excelled and set standards in excellence in critical thinking, independent learning, and strong work ethic — typical of graduates of our rural schools. Students have graduated into all walks of life. Unfortunately in the past decade many have relocated to neighbouring provinces and even out of the country, and I hope many of these graduates will be able to remain here.

I wish all graduates the very best of success in their further studies and their careers as I'm sure all members of this Hon. Assembly do. I am certain that their education at Spring Valley and their rural Saskatchewan background will serve them well wherever life takes them and in any field of endeavour that they may choose. Congratulations, graduates.

Some Hon. Members: Hear, hear!

SaskEnergy Loan Program For Heating Upgrades Extended

Mr. Prebble: — Thank you very much, Mr. Speaker. Mr. Speaker, I'm pleased to share with members of the Assembly that the SaskEnergy network prime rate loan program for replacement of furnaces, hot water heaters, and other selected natural gas appliances, is being extended for a full year to June 30, 2003.

Some Hon. Members: Hear, hear!

Mr. Prebble: — This initiative developed in partnership with private sector plumbing and heating contractors has proven very popular. So far 4,000 SaskEnergy residential customers have been granted prime rate loans.

Mr. Speaker, the program is proving to be a practical way to help homeowners save money on their energy bills while at the same time reducing greenhouse gas emissions from their households.

So far, Mr. Speaker, SaskEnergy customers have saved more than \$1 million in energy costs and borrowing costs by purchasing more efficient natural gas appliances through the loan program. For example, Mr. Speaker, the installation of a furnace with 95 per cent efficiency will generate energy savings for the average customer of approximately \$300 per year.

I'm also pleased to tell the Assembly that on average, each homeowner that used the prime rate loan to replace their old furnace reduced greenhouse gas emissions by 2.2 tonnes per year and cut their household greenhouse gas emissions by 20 per cent.

Mr. Speaker, I want to, in closing, congratulate the SaskEnergy board and staff and the 123 members of the SaskEnergy

network for their help in delivering this program.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Vanscoy District Rodeo

Mr. Weekes: — Thank you, Mr. Speaker. Nice weather once again blessed the organizers of the Vanscoy district rodeo — 1,500 people attended the three-day event filling the stands to capacity. The expanded weekend schedule allowed for those attending to get more bang for their buck, or some might say, buck for their buck.

Saturday kick off with a gymkana competition bringing competitors from around Saskatchewan and the new youth cattle show made its debut on Sunday. Two performances by William Gough, five-year Australian champion whip cracker brought gasps from wide-eyed onlookers as his carefully controlled whip neatly sliced a piece of paper held in a very brave volunteer's mouth.

The rodeo performances kept audiences on the edge of their seat with thrills and spills. Whoops and hollers could be heard across town. Competitors from Manitoba, Alberta, and Saskatchewan, and as far away as North Dakota joined in the competition.

Intermission was a special treat when locals Tim and Jackie Edwards and TJ, the one-of-a-kind trained Texas Longhorn steer performed for the first time in Vanscoy. Many had never seen the amazing show. This CCA (Canadian Cowboys' Association) rodeo provided top quality entertainment to all who attended with the exciting, brave daredevil acts of the cowboy.

Congratulations to Vanscoy and district on a wonderful rodeo.

Some Hon. Members: Hear, hear!

Prince Albert Hero

Hon. Mr. Lautermilch: — Thank you very much, Mr. Speaker. One of the clichés that we hear these days is that there are no more heroes in our society. But like most clichés, this one doesn't bear very close scrutiny.

If one definition of a hero is a person willing to put their own life at risk to save another, then I'm happy to report to the Assembly that in our city, Prince Albert, we have a genuine hero based on an incident that happened this past weekend. And to ruin the suspense, I'm even happier to report that the story has a very happy ending.

On Sunday at our annual Founder's Day event on the Riverbank Park, in the evening a three-year-old child fell into the river and was being carried away. When he was spotted he was several metres downstream. The water was cold and the current was swift. Mr. Stuart Matice, an off-duty facilities worker at the Prince Albert youth custody facilities, went after the boy.

Though Mr. Matice had not been swimming in over five years,

he reached the child just as it was going below the surface. He fought back the current, brought the child to shore. The child's face was blue and it was treated for shock.

Mr. Matice was well, but exhausted. The entire episode took less than 10 minutes, Mr. Speaker. Mr. Matice is the father of three and currently he and his wife look after five foster children. And now there's another child in his debt.

Mr. Speaker, this was an extraordinary act of selflessness and bravery by a family man, a Prince Albert resident, and a civil servant. And I want to say that I'm very proud on all accounts to know that this brave soul has saved a young child in our community.

And I want all members to join with me in thanking Mr. Stuart Matice for saving a life.

Some Hon. Members: Hear, hear!

Melfort Area Athlete Wins Scholarship

Mr. Gantfoer: — Thank you, Mr. Speaker. Mr. Speaker, and members of the legislature, I'd like to introduce you to another young lady from my constituency who has made a name for herself in the world of track and field.

Brandi Armstrong recently won three gold medals in the Saskatchewan High Schools Athletics Association provincial track and field meet. These medals are the most recent in a long list of provincial, national, and international medals this young lady has won in track and field since she was five or six years old. Brandi is graduating from the Melfort & Unit Comprehensive Collegiate this year, but her competing year is not over. She'll be competing in the senior nationals in Edmonton, at the juniors in Kitchener this summer.

This fall she'll be starting a whole new adventure. Brandi's achievements caught the attention of Rice University in Houston, Texas and she has accepted an offer for a four-year full scholarship. Mr. Speaker and members of the House, please join me in congratulating this exceptional young lady for her past achievements and wishing her the very best in all her future endeavours. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Federal Financial Assistance for Agriculture

Mr. Hermanson: — Thank you, Mr. Speaker. This morning, Jean Chrétien got up and he went to a farm in Ontario and he spent \$800 million of the provinces' money — without consulting the provinces. This is unbelievable. Not only is he abandoning his own responsibility for international trade, but he is imposing that responsibility on provincial taxpayers, knowing full well that they can't afford it.

Mr. Speaker, it's frustrating that the Premier's meeting with the Prime Minister last week appears to have had no impact whatsoever. Mr. Speaker, what is the Premier going to do now? How is he going to convince the federal government to live up

to their responsibility after they've made the announcement?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, Mr. Speaker, on the premise of the member's question, we're in agreement, absolute agreement, and I'm pleased that that agreement exists. That today the Prime Minister of Canada and the federal Minister of Agriculture unilaterally have imposed, or threatened to impose, or would seek to impose this kind of financial burden on the regions and provinces of Canada most affected by international trade subsidies is, as one of my colleagues has just said, shameful.

What shall we do, Mr. Speaker? Well I'll tell you what we're not going to do. We're not going to roll over. We're not going . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — And I'm counting on the support of the member from Saskatchewan Rivers. I'm counting on the support of the members opposite. I'm counting on, as we've enjoyed, the support of the Liberal member of this legislature and the Liberal leader and the Liberal Party in this province. I'm counting on the continued support of the mayors of Saskatchewan, have spoken with one voice; the support of farm leaders in this province; the chamber of commerce; the support of journalists in this province.

And with that kind of support and that kind of unanimous position, we're going to Halifax, the Minister of Agriculture's going to Halifax next week, and we're taking the position to that table, and the fight is on.

Some Hon. Members: Hear, hear!

(14:00)

Mr. Hermanson: — Thank you, Mr. Speaker. Mr. Speaker, we agree with the Premier. And for weeks, when the Premier has asked us to stand behind him on principle, we have done that. In fact, we have done more, Mr. Speaker. But now it is up to the Premier to deliver. He needs to win that battle for the people of Saskatchewan. Farm families need help now. The Premier's efforts up to this date have not produced any results. And, Mr. Speaker, Canadian producers do not see the trade injury payment that they have been counting on.

Mr. Speaker, Saskatchewan farm groups have stood behind the Premier. The official opposition has stood and continues to stand behind the Premier but, Mr. Speaker, it's time for the Premier to deliver.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — What tools, what instruments of war is the Premier taking into the battle? What's he going to do? How is he going to get this trade injury support package fully funded by the federal government?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, the implication that the Leader of the Opposition would try and draw from his comments is that, you know, if he were in Ottawa, this would have got solved.

Well, Mr. Speaker, he was in Ottawa. He was a member of the Reform Party of Canada, sitting in Ottawa. He was the Agriculture critic for the Reform Party of Canada, now the Alliance, and while he was in Ottawa, what happened? What happened?

Well the federal Liberal government established this 60/40 split. How did he, how did he solve the problem when he sat right in the House of Commons? I reported yesterday . . .

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

Hon. Mr. Calvert: — Once the Leader of the Opposition returned to the province to take up his role of this amalgamation of Liberals and Tories and Conservatives and everything that got together over there, to lead that group, well then he went all by himself right there to Ottawa and he was going to talk to his good friend, Lyle Vanclief. He calls him his good friend, Lyle; calls him his good friend, Lyle.

Well the reporting of that visit, the headline reads, "Saskatchewan Party leader gets the cold shoulder." The cold shoulder. Well I ask the Leader of the Opposition, who calls himself a good friend of Lyle Vanclief, to please phone Mr. Vanclief this afternoon and get this changed.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Mr. Speaker, I have to laugh at the silliness of the Premier. The Premier went to Ottawa — the Premier went to Ottawa as the Premier of Saskatchewan — and came back empty-handed.

Mr. Speaker, the Premier came back to this House and suggested there was hope — the decisions hadn't been made. If the Premier would have asked me to accompany him to Ottawa to help him out, I'd have been glad to do that. But he has taken responsibility. He needs to shoulder the responsibility. He is the Premier of Saskatchewan and he needs to answer for his inability to deliver on the commitment that he's made to Saskatchewan people.

Mr. Speaker, there are severe problems around the Premier's failure to deliver. If in fact, Mr. Speaker, the province does not gain access to the federal dollars that are earmarked through this program, if in fact there is not a trade injury payment, one of our most important industries will be devastated.

Mr. Speaker, what is the Premier promising to the people of Saskatchewan and to the agriculture industry of Saskatchewan? What is he prepared to deliver on behalf of his government?

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, the Government of Saskatchewan, the member opposite might be interested to know, provides support to the agricultural producers of this

province at a per capita rate four times the rate of anyone . . . of the Canadian average and double the rate of any other province in Canada.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — That's the commitment of this government. And, Mr. Speaker, if I may say so, I did not stand in the House of Commons, I did not stand in the House of Commons preaching to the Liberal government in Ottawa that subsidies to farm producers in Canada should be eliminated. I did not do that. That was the position of the member now from Rosetown-Biggar, the Leader of the Opposition.

Mr. Speaker, I will stand behind the record of this government in support of Canadian and Saskatchewan producers any day of the week on any platform in Canada. I wish the Leader of the Opposition could say the same.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Thank you, Mr. Speaker. Mr. Speaker, I'm disappointed that the Premier deliberately misrepresents the statements that I have made. I heard the . . .

The Speaker: — Order, order. Order. I would just ask the Leader of the Opposition to be mindful of the language he's using and to withdraw those statements before he proceeds with additional statements.

Mr. Hermanson: — Thank you, Mr. Speaker. I withdraw those statements. But I heard the Premier say to the federal ministers in Saskatoon that he would be happier if there were no subsidies whatsoever — that's exactly the same thing that I was saying in Ottawa. Mr. Speaker, we have said exactly the same thing.

I heard the Premier say that, but he also said the same thing that I said, that as long as other nations are subsidizing their producers, Canada must be in the game. And that's the position that I have always taken. To say otherwise is not being truthful.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Mr. Speaker, the Premier's coalition appears to be crumbling. Ralph Klein has already said that he's in for 40 per cent. Bob Friesen, who was at that meeting in Saskatoon and said that he was with us, was also at Jean Chrétien's news conference and he was praising today's announcement.

Mr. Speaker, how is the Premier going to keep this front united when one province and one major national farm group has already bailed out on him? Mr. Speaker . . .

The Speaker: — Order, order, order. I ask the members to allow the question to be put.

Mr. Hermanson: — Mr. Speaker, they're making a lot of noise because they're in big trouble here. Mr. Speaker, has the Premier contacted the other provinces and what position will the Agriculture ministers be taking in Halifax? It's good enough to say he's going to war; he'd better tell us what kind of a battle strategy he has.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Interestingly enough, this government has to fight the treasury of Washington. Now we have to fight the Liberals in Ottawa. Now we have to fight the Saskatchewan Party in Saskatchewan and some of their colleagues around the country. Now the member . . . the member of Canora who should get on his feet and says what he says in this House . . . Never gets up.

Mr. Speaker, here's the situation. We are taking this case to the ministers of Agriculture in Halifax. We're going to have the support of many of the ministers of Agriculture from across Canada — you can count on that. And they're going to come from a variety of political parties. And if . . . I've just got to say to the Leader of the Opposition: please be part of the solution in this one case. Set aside your partisan desire, your partisan desire to seek power . . .

The Speaker: — I'd just remind the Premier to direct his remarks through the Chair.

Some Hon. Members: Hear, hear!

Ms. Harpauer: — I find it very sad that the Leader of the Saskatchewan Party stood in this House and said he was supporting the government, and yet the Premier said, now we have to fight you. So it's unfortunate today's announcement by the federal government actually raised more questions than it did answers. So I'd like to go through a few of the details with the Ag minister, if I may.

Mr. Speaker, the federal government is saying that there is \$1.2 billion in new money for bridge financing and they want the provinces to put up \$800 million. Mr. Speaker, if the provinces cost shared the bridge financing, how much would be Saskatchewan's share of this new money? Exactly how much does Ottawa expect the provinces to contribute and how much new money would actually find its way into the producers' hands?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, the press conference today that was held by the Premier in Saskatchewan clearly indicates the kinds of damage that this new farm Bill or this new announcement from the federal government will do for Canadian producers, Mr. Speaker . . .

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

Hon. Mr. Serby: — Mr. Speaker, the question that the member from Watrous asked is a very important question, Mr. Speaker, in terms of what Saskatchewan and Canadian farmers are going to receive at the end of the day here if in fact unanimity doesn't remain across the country.

Today, Mr. Speaker, the announcement by the federal government puts into the hands of Canadian producers, at the end of the day, somewhere in the neighbourhood of \$450 million for Canada. That's what this new farm package by the federal government delivers.

And that's why, Mr. Speaker, on this side of the House, and hopefully on that side of the House . . . And provinces across Canada today and farm leaders need to take a position because this window, when it closes in the next three or four months, Mr. Speaker, will leave Canadian farmers in a position that they've never been in in the history of this country. And it's our responsibility, Mr. Speaker, to stand together, to stand together on this piece and be sure that the federal government doesn't jam the provinces and farm organizations and farmers in this country in the way in which they're attempting to do it today by their announcement, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Harpauer: — Thank you, Mr. Speaker. Mr. Speaker, I believe the minister's office is working under the assumption that the money is being allocated based on the Fredericton formula. That means that Saskatchewan would get about 22 per cent or about \$220 million a year. That would cost the province about \$88 million a year and it would only amount to an average of approximately \$4 per acre.

Mr. Speaker, is that roughly the figures that the minister is working with or has he found out something different from Ottawa?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, in my last response to the member I had outlined for her what the new portion of the money is. And I said to the member opposite that what Canadian farmers, what Canadian farmers would receive this year . . . Canadian farmers would receive this year is about \$450 million annually is what they would get. And that, Mr. Speaker, is about \$2 per acre in Saskatchewan at the end of the day — about \$2 per acre when we translate that, Mr. Speaker, into what might happen here on an emergency payout for our Canadian producers.

And I say, Mr. Speaker, as I've said on other occasions, this is a monumental occasion for Canadian farmers, for agricultural producers, and for provincial governments in Canada. This window, when it closes, as I said a moment ago, in the next couple of months, will be a devastating . . . will have a devastating impact on not only provincial economies, but on the industry of agriculture in Canada.

And that's why today's debate, the kind of work that we've been doing on this side of the House for the past year and a half, bringing trade injury to the top of the issue, Mr. Speaker, is so important. And the discussions and the meeting that we're having in Halifax next week will be critical to ensure that we can deliver the kinds of package that we wanted for Canadian farmers. And that's why unity in this House is so important today and that this government stands with farmers in Canada, Mr. Speaker.

Some Hon. Members: Hear, hear!

Ms. Harpauer: — Thank you, Mr. Speaker. Mr. Speaker, I would like to ask the minister if that's what he's been told from Ottawa or if that's what he's calculating here on his own, because Terry Hildebrandt of APAS (Agricultural Producers

Association of Saskatchewan) is saying that it will not be based on the Fredericton formula, and the federal government is working out a new formula that will be based on need. And that would mean more money for the Saskatchewan producers, but it would also mean more cost for Saskatchewan taxpayers.

Mr. Speaker, can the minister tell us today if he has heard anything about a new formula to meet the need?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, the formula here in many respects, Mr. Speaker, has very little relevance on what . . . to what the entire package provides, because the total package for the Canadian agricultural industry, Mr. Speaker, today is just under — is just under 2 billion, Mr. Speaker, is what that number is. And it uses in it, Mr. Speaker, the \$1.1 billion that's already in the pool — already in the pool.

So what Canadian farmers are going to have to their disposal, Mr. Speaker, into the future in terms of managing the agricultural industry is what I've said, 450 brand new million dollars for all of Canada. And we will have to deliver, within that \$450 million, a trade package, Mr. Speaker, and a brand new set of programs under these risk management programs, Mr. Speaker.

And that . . . those members opposite, Mr. Speaker, if we're . . . if we're to think for a moment that we end up with this package, if we were to think for a moment, we would have a crop insurance program in this province which would be the lead, Mr. Speaker, and a NISA (Net Income Stabilization Account) program in this country that would be the lead, Mr. Speaker. What would happen here, Mr. Speaker, is that we would have a reduction in programming in Canada if we go down that route. And I say to the members, we need to stay together on this piece, Mr. Speaker.

Some Hon. Members: Hear, hear!

(14:15)

Ms. Harpauer: — Mr. Speaker, there also seems to be conflicting reports out of the federal government as well. Lyle Vanclief has said that the provinces have to put up their 40 per cent share in order to access the federal money. But today Jean Chrétien apparently said that the federal share will be available to producers whether the province kicks in with 40 per cent or not.

Mr. Speaker, which one is it? If the federal share . . . is the federal share available to Saskatchewan even if the province does not cost share the 40 per cent?

Hon. Mr. Serby: — The member raises a very good question, because it's our understanding . . . it's a very good, it's a very good question, Mr. Speaker, because it's our understanding that the federal government is . . . has tied this entire package as one piece, Mr. Speaker. So that if you don't sign on to the agricultural policy framework, you don't get any of the trade injury money. That's how we understand that, Mr. Speaker.

Now, Mr. Speaker, Mr. Speaker, what the member . . . what the

Minister of Agriculture says federally was that in fact there may be . . . or the Prime Minister says there may be an opportunity to split that, Mr. Speaker.

So my sense is that the federal government has tied this as one package, Mr. Speaker. They are going to jam the \$600 million down our throat, Mr. Speaker, which is the trade injury piece, which is the 1.2 billion for the next two years, Mr. Speaker. And that Canadian people, Canadian people, Canadian farmers, Canadian producers, and agriculture producers, and governments will be responsible to pick up the federal debt, Mr. Speaker . . .

Some Hon. Members: Hear, hear!

Ms. Harpauer: — Mr. Speaker, I know the minister has alluded to the answer to this question, but it also seems . . . or it still seems a little unclear. How much of this is actually new money? How much of it is a . . . or how much is repackaging the existing money?

The federal government is talking about an overall package of 5.2 billion over six years. Is this 5.2 billion on top of the existing funding for programs like crop insurance, NISA, and CFIP (Canadian Farm Income Program)? Or does it replace existing funding for programs like crop insurance, NISA, and CFIP?

Hon. Mr. Serby: — . . . one more time. Because today, today . . .

The Speaker: — Order. The member just may want to start over to get on the record.

Hon. Mr. Serby: — Mr. Speaker, I'll try this response to the member from Watrous one more time. Today we have in crop insurance and NISA and CFIP, \$1.1 billion annually. If you multiply the \$1.1 million by five, of which this package is about, it's \$5.5 million. It's now in the new package. It's now part of the new package of new money.

Then they added to it, Mr. Speaker. They added to it \$180 million for agricultural policy framework. And then they added to it additional bridge funding of 5 to 600 million, 600 million, and then they added to it trade injury — \$600 million, cost shared by the provinces. That's their piece, Mr. Speaker.

What happens here, Mr. Speaker, is that the entire total package is 5.2 billion of which 5.5 is old money — 5.5 is old money. The new package of the money is 2.7 billion for six years, Mr. Speaker, divided by six, is \$450 million per year for Canadian farmers to cover off, Mr. Speaker, to cover off the agricultural policy framework and trade injury, and jam it down the throats of Canadian farmers and farm organizations . . .

Some Hon. Members: Hear, hear!

Handling of Ministerial Investigation

Mr. Heppner: — Thank you, Mr. Speaker. Mr. Speaker, maybe if the Premier was a little more focused on real issues, things would turn out better for Saskatchewan. But instead while Ottawa was putting together this disastrous ag package

we're just talking about, the Premier was busy dealing with the former minister of Environment.

Today we find out that the Saskatchewan taxpayers paid \$25,000 to find out why someone didn't mail a birthday card to the minister's brother's kitties. After spending \$25,000 on a report that said to put the minister back into cabinet, the Premier ended up firing her two days later anyways. Talk about bumbling leadership, Mr. Speaker.

Mr. Speaker, why did the Premier pay \$25,000 of taxpayers' dollars to try to vindicate a loose-cannon minister at over \$8,000 a slap, a minister . . .

The Speaker: — Order, order, order. Order. Order. Order. There's been a long, long tradition that the members in this Assembly are to be referred to by titles or by their constituencies. Derogatory adjectives and name-calling are simply not permitted. And before I permit anybody to go any further during this question period I would ask the member to rise, withdraw those statements, and apologize.

Would the member rise and withdraw the statement regarding his description of the former minister of the Environment?

Mr. Heppner: — Thank you, Mr. Speaker. I withdraw the statement, loose-cannon minister.

The Speaker: — Will the member withdraw it without equivocation and apologize to the House.

Mr. Heppner: — Okay, I withdraw that statement unequivocally and with . . . apologize to the House.

The Speaker: — I now recognize whoever wishes to respond.

Hon. Mr. Calvert: — Thank you, Mr. Speaker. At the time the events in the former minister's office occurred and were brought to my attention, it was my conclusion that this is a matter that needed to be taken seriously. It needed to have someone outside of government to look at this circumstance. And for that matter it required someone from out of province to look at this circumstance. And thirdly, it required someone of the reputation — national reputation and expertise — to do the work that I could enjoy confidence in, that this House could enjoy the confidence in, and that the people of Saskatchewan could enjoy the confidence in.

Mr. Speaker, in that regard, we contracted with Ms. Marilyn MacKenzie to do the work. It is a significant amount of money; it is not a happy circumstance; but in hindsight it was the right thing to do.

Some Hon. Members: Hear, hear!

The Speaker: — Order. Order, please. Order. Order. Order. Members will come to order. Members will come to order.

MINISTERIAL STATEMENTS

Natural Gas Discovery

Hon. Mr. Lautermilch: — Thank you very much. Mr.

Speaker, I'm pleased to inform the Legislative Assembly that earlier today, the minister responsible for SaskEnergy announced that TransGas is working with the petroleum industry to develop one of the most significant natural gas finds in the last 10 years in our province.

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — One of the larger producers, Profico, announced a recent discovery in the Shackleton reserve area located in the . . . northwest of Swift Current. Husky Energy and Cavell Energy have also invested in this field. These companies are showing a great deal of confidence in the resource and in the business climate of Saskatchewan.

According to TransGas, this new discovery could add one-half a trillion cubic feet to Saskatchewan's natural gas reserves. Mr. Speaker, that's nearly a 20 per cent increase from today's reserve estimates. This find will extend our role as the second largest energy producing province well into the future.

As you know, the petroleum industry is the key driver of the Saskatchewan economy, and when our resource sector performs well it gives a major boost to economic growth for Saskatchewan. The oil and gas industry provide quality jobs and new capital investment for our province, and it also generates revenues that are used to support many of our social programs.

Last year the industry invested about 1.4 billion in the province through drilling slightly more than 3,300 oil and natural gas wells. It also contributed around \$624 million to our province through royalties, production taxes, and bonus bids.

The province has doubled its oil production between 1991 and 2001. Indeed the industry accounts for approximately 8 per cent of our GDP (gross domestic product). It also brings jobs, Mr. Speaker. The industry employed about 21,500 people in our province last year and many of those jobs are in rural Saskatchewan.

Mr. Speaker, clearly the success of the industry is of critical importance to us. As we continue to build a province of opportunity we will depend even more on our non-renewable resources.

The natural gas find in the Shackleton area is significant and we are pleased that industry and government are working together to capture opportunities for tomorrow. Thank you very much.

Some Hon. Members: Hear, hear!

Mr. Wall: — Thank you, Mr. Speaker. It's an honour to respond to the announcement, the ministerial statement, on behalf of the official opposition Saskatchewan Party.

Mr. Speaker, the news today, the news today of the discovery of this Shackleton reserve is good news indeed for Swift Current — my hometown, Mr. Speaker — for southwest Saskatchewan, and for the entire province, Mr. Speaker. And the official opposition would like to congratulate Profico Energy and Husky Energy on this initiative.

We want to congratulate them for their commitment to invest in this particular industry in the province, and I believe, Mr. Speaker, the information the minister read is, this find represents almost 20 per cent . . . fully 20 per cent of the current reserve in all of the province of Saskatchewan. So it is a very significant find and it will have a major economic impact in my hometown and across southwest Saskatchewan.

And you know, Mr. Speaker, even more impressive about this announcement is the fact that the private sector, the private sector in these energy companies, are going ahead with this investment in a jurisdiction that offers them the highest capital tax rate in all of Canada. That's how good this find is, Mr. Speaker. That's how good these . . . large these reserves are, that they're prepared to come to this province given the current business climate and given the highest corporate capital tax in all of Canada.

Now to be fair, Mr. Speaker, to be fair . . .

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

Mr. Wall: — You know, to be fair, Mr. Speaker, TransGas, the subsidiary of the provincial Crown corporation, is very much involved in the project. They are the monopoly distributor of gas in the province and so you need them simply to provide the pipeline infrastructure for this project to go ahead.

But they are there, Mr. Speaker. They made the decision to make the investment, did TransGas, and they gave this province a perfect example of what Crown corporations can do when they focus on their core function and when they focus on the province instead of Chile and Mexico, Mr. Speaker. And more to the point, they're showing the province what they can do when they partner with the private sector.

And I would just conclude with this, Mr. Speaker. We understand that this same subsidiary, this same subsidiary may be a candidate for a joint venture privatization that would even more fully develop this particular subsidiary, that would more . . . that would enable this particular subsidiary to expand in Saskatchewan and to protect head office jobs.

We understand that SaskEnergy officials are working on a couple of deals right now for such a joint venture privatization and we would say this, in addition to commending this news today of this find, we would say to the government to join with the Saskatchewan Party pragmatic position on Crowns. If this deal is a good one for the Crown corporation and for the province of Saskatchewan, put down the manifesto and do the deal. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

The Speaker: — Order. Order.

INTRODUCTION OF BILLS

Bill No. 206 — The Democratic Unionism Act

Mr. Weekes: — Thank you, Mr. Speaker. I move first reading of Bill No. 206, The Democratic Unionism Act.

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

**Bill No. 209 — The Trade Union Amendment Act, 2002
(Freedom of Speech in the Workplace)**

Mr. Weekes: — I move first reading, Bill No. 209, The Trade Union Amendment Act, 2002 (Freedom of Speech in the Workplace).

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

(14:30)

Hon. Mr. Calvert: — Mr. Speaker, I ask leave of the Assembly to move a motion of urgent and pressing necessity under rule 46.

The Speaker: — The member has asked leave of the Assembly to move a motion of urgent and pressing necessity under rule 46. Would the Premier just briefly outline the nature of the motion, or read the motion into the record.

Hon. Mr. Calvert: — Mr. Speaker, Canadians this morning listened to their Prime Minister and the federal Minister of Agriculture describe a farm package that is proposed to affect Canadians coast to coast — producers coast to coast for a period of up to five years.

This legislature on previous occasion has voiced its opinion on what should have been included in this package. It's not there. We feel that because of the events of this day, it is important that this legislature again reaffirm its position and instruct our Minister of Agriculture, as he meets with ministers of Agriculture from across Canada, to reaffirm those positions at the meetings next week in Halifax.

Leave granted.

MOTION UNDER RULE 46

Federal Farm Aid Package

Hon. Mr. Calvert: — Mr. Speaker, perhaps . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Perhaps as just a little background to the circumstances of this day, I think it has been widely concluded in Canada, certainly in this province, that farm programs in this country as they have existed and have been altered over the last number of years have not worked for Canadian producers — not worked.

Therefore, ministers of Agriculture from across Canada, including our Minister of Agriculture — if I may say with the leadership of our Minister of Agriculture — have been working to build better safety net programs to last in the long term for Canadian producers.

That said, also, Mr. Speaker, it is important to recognize that if our producers in Canada, our farmers, our farm families, if they

are given a level playing field, they will compete with anybody on the globe. There is no doubt about that.

However, our producing families across Canada, not just in Saskatchewan but across Canada, but particularly in Saskatchewan given the size of the agricultural sector in our province, particularly in Saskatchewan, our producing families, our farm families in Canada have had to face a world of unfair trade subsidies occasioned by those governments in Europe, the national governments, that have chosen to subsidize their farmers; occasioned by the national government in Washington who have chosen to subsidize their farmers.

Irregardless of the discussions that have happened at the world trade talks at world trade levels, irregardless in fact of progress that was made in Doha — our minister, Attorney General, Minister of Justice, was at Doha representing this province and we saw progress — irregardless of all the progress, we've had the introduction this year of yet another American farm Bill that commits, and get this, Mr. Speaker, \$190 billion in farm subsidy for American producers.

Now I had an opportunity, Mr. Speaker, to sit across the table from the ambassador of the United States to Canada, Mr. Cellucci. I presented him with the case that we've brought to all Canadians about the unfairness of subsidy and this American farm Bill. Mr. Cellucci makes the following argument. His argument is, so long as the Europeans are going to subsidize their producers, America will stand behind their farm families.

He agrees — I guess we all agree — that the ultimate solution is at the World Trade Organization. But in the interim, Mr. Cellucci says, President Bush and the administration of the United States of America will support their farm families.

In that circumstance, Mr. Speaker, it is the conviction of this Premier, this government, and this legislature that the national Government of Canada must stand behind the producing farm families of Canada. There can be no alternative.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Just for the information of members so that we understand the significance of these subsidies in the world, in the world marketplace, in the year 2000 — these figures are from the year 2000 — Mr. Speaker, 43 cents of every dollar of European wheat sales was from subsidy — 43 cents. In the United States of America that figure was 49 cents. And in Canada, 17 cents. Now there is the stark difference that faces the farmer in Canada. A stark difference that must be levelled and it must be levelled by the federal government.

Mr. Speaker, a year ago, not quite, I was asked by the premiers of Canada to bring this position to the attention of the federal government. I prepared therefore a document on behalf of all the premiers which pointed out the injustice of the subsidies on Canadian farmers, which pointed out in dramatic terms the requirement of our federal government to step up to the plate. That document has been in the hands of the federal government for some time.

We reaffirmed that call from this legislature in a unanimous resolution early in this session. From this session, from this

legislature, we built a coalition bringing in other Western premiers, Prairie premiers, other Prairie opposition leaders.

I took that coalition position then to Dawson City, where all of the Western premiers and all of the Territorial premiers gathered, and built in that circumstance a coalition, a consensus, a unanimous position.

Here's the position, Mr. Speaker: that in the issue of international trade injury to producers of Canada, the requirement to meet that injury, by Ag Canada's own figures, is \$1.3 billion and that the funding must come from Ottawa.

Today the federal Government of Canada have said definitively that in the matter of trade injury, they yet expect the producing provinces, the producers of Canada, the regions of Canada, to cost share this 60/40. That's what they've said today.

Now, Mr. Speaker, they don't want to talk about, at Ottawa, they don't want to talk about trade injury. They don't want to talk about support for trade injury so they couch this in some other terms — bridge financing or ad hoc payment, transition money. Mr. Speaker, they're not fooling this government. It's support for trade injury no matter how they describe it. That's what it is. And therefore it should be that package of money funded 100 per cent.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — There is, by the way, Mr. Speaker, no state of the union in the United States of America, there's no state or province in Europe that is asked to contribute to trade injury subsidy — not one. Our neighbours in North Dakota, our neighbours in Montana, they see the support coming to their farm families from Washington.

Can you conceive of a situation, Mr. Speaker, or members of this legislature, where a national government would not take responsibility for trade injury?

Now if it is the case that the federal Government of Canada now suggests that the provinces of Canada, the regions of Canada should take financial responsibility for trade issues, then it is my view then we'd better have a seat at the table where these deals are negotiated.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — If they want 40 per cent of the funding, then we'd better have 40 per cent of the seats at the table.

And further, Mr. Speaker, it is my view that if the federal government, as they have done this day, can unilaterally indicate to the provinces of Canada that we are going to be obliged to pay 40 per cent, that the federal cost-share split will be 60/40, if that could be unilaterally imposed — and if I may say, Mr. Speaker, then described as a partnership which is an interesting descriptive — if that can be unilaterally proposed on funding for agriculture, then our position is as follows: that position then must extend to other cost-shared programs.

So let that principle apply to the funding of the national highway system.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Today, Mr. Speaker, you will know that in terms of funding of the national highways in this province, even though a great deal of taxes collected by the federal government from fuels in this province, virtually all of the cost of construction and maintenance of our national highways in this province is borne by the province. Virtually none is provided by the federal government.

So if the 60/40 rule applies, let it apply to the national highways — 60 per cent federal, 40 per cent provincial.

If the 60/40 rule is going to apply, then I say let it apply to the funding of health care in Canada.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, you will know that not so long ago funding in health care in this country was approximately a 50/50 split between the federal government, the provincial government. That has changed, Mr. Speaker.

Today funding of health from the federal government — Canada-wide and in our own case — is about 15 per cent with the provinces, our province picking up 85 per cent.

Let the rule apply. Funding for health care — 60 per cent federal, 40 per cent provincial.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — If a 60/40 split will be imposed on the province of Saskatchewan for all agricultural programs, then let it apply to the funding of programs for off-reserve First Nations people.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Now that, Mr. Speaker, used to be, should be, a 100 per cent federally funded responsibility given the treaties of the First Nations people in Canada. Now, Mr. Speaker, that has simply changed at the whim of the federal government.

So let it apply here. Let it apply here.

Mr. Speaker, on the principle of the notion that regions of a country most hurt by trade injury should be the taxpayers who are asked to fund that injury, it is simply illogical. You do not ask the individual who needs the transfusion to provide it. That is not the case.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, let me be very clear on this point. This province is willing, more than willing, has demonstrated its willingness to support financially the long-term safety net programs, crop insurance, NISA. We're there, Mr. Speaker. We will be there. We are there, in fact, at a rate four times per capita the national average.

Saskatchewan taxpayers across this province contribute to the

support of agriculture in this province at a rate four times the national average, at a rate twice of any other provincial jurisdiction in Canada. We're there. We will be there. We want to be there. We want to be part of the negotiations to build the long-term safety net.

But where we should not be, Mr. Speaker, where we should not be — even if all the resources were easily available — where we should not be is in the financing of the subsidization of international trade. We should not be.

Now I just said, Mr. Speaker, even if all the resources were all available to us, we shouldn't be there. But here is the fact: the resources are not available to us. We have laboured in this province for a decade to restore fiscal stability to the province and the taxpayers of Saskatchewan.

We have laboured long and hard to begin a process where we can lower taxation for the families of Saskatchewan, where we can rebuild our road infrastructure, where we can provide the best quality health care that we can possible provide, where we can expand education for our students across this province, where we can build a CommunityNet, high-speed Internet network, where we can do the things that we want to do and should do for the people of all Saskatchewan.

To do this, we've had to do very, very careful financial and fiscal planning. The surplus projected for the province of Saskatchewan this year is \$45,000 — 45,000, that's how hard we've worked.

Now the fact of the matter is the surplus in the national treasury, as revealed by the Minister of Finance, Ottawa, this week for this year is now \$6 billion — 6 billion. And the projections we're seeing in the national press as recent as this week is that it will grow over this year to a figure of \$10 billion.

(14:45)

Now compare the fiscal capacity, Mr. Speaker, of levels of government to deal with the international trade. A province that's worked hard to provide quality services, to build for the future, to create a new Saskatchewan on a balanced budget — earning us a credit rating upgrade, Mr. Speaker, but a very, very narrow surplus of \$45,000 — and here is a national government with 6 billion, 10 billion and growing in their treasury.

Now, Mr. Speaker, where did that surplus in Ottawa come from? It came from the taxpayers of Saskatchewan. It came from the taxpayers of Ontario. It came from the taxpayers of Quebec, and PEI (Prince Edward Island), the Atlantic provinces, the Territories, BC (British Columbia), Alberta, Manitoba.

As Canadians we contribute to a national treasury. We do it willingly for the sake of a strong nation. A strong nation then needs to come to the aid of those in the nation who are suffering as a result of the activities of other national governments.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, that \$10 billion surplus . . . that \$10 billion surplus does not belong to the Prime Minister of

Canada or the Minister of Agriculture or the Minister of Finance in Ottawa. It belongs to the people of Canada and Saskatchewan. And that money should be provided to the people who need it most now.

Some Hon. Members: Hear, hear!

Hon. Mr. Calvert: — Mr. Speaker, therefore I move and I welcome the seconding by the Leader of the Opposition, the member of Rosetown-Biggan, the following motion. I move:

That this House:

Unanimously adopts the position that the federal government's farm-aid package announced today does not address the impact of American and European Union agricultural subsidies on Canadian farmers; ignores federal responsibility for international trade and injury to Canadians related to such trade; and is discriminatory to the farmers and taxpayers of Saskatchewan; and

Unanimously reaffirms its position in calling on the federal government to fully fund a minimum \$1.3 billion trade injury payment to Canadian farmers; and

Calls upon the Minister of Agriculture to seek support for these positions at next week's federal-provincial meeting of Agriculture ministers.

Mr. Speaker, I so move.

Some Hon. Members: Hear, hear!

The Speaker: — Order. Order please. Order.

Mr. Hermanson: — Thank you, Mr. Speaker. And it is with a great deal of pleasure, in fact I sense the importance of participating in the debate on this emergency motion, Mr. Speaker, and in fact I am pleased to second the motion that has been presented by the Premier.

Mr. Speaker, I want to first of all look at the contents of the motion which states that this Assembly will unanimously adopt the position that the federal government's farm aid package announced today does not address the impact of the American/European Union agriculture subsidies on Canadian farmers.

Mr. Speaker, there can be no doubt of that. Just the amount of money itself — \$5.2 billion over six years — is woefully inadequate in compensating Canadian producers and those involved in the agriculture sector from the massive, massive amount of US (United States) subsidies that have been passed through their US farm Bill. Mr. Speaker, that alone, the US farm Bill, would not be compensated from this package, let alone the European subsidies on top of that.

So, Mr. Speaker, the official opposition has no problem whatsoever in recognizing that the package announced by the Prime Minister and the federal Minister of Agriculture this morning at a farm outside of Ottawa is certainly inadequate and does not meet the need that Canada faces.

Mr. Speaker, this motion goes on to say that the federal government is . . . or that the package ignores the federal responsibility for international trade and injury to Canadians related to such trade.

Mr. Speaker, the official opposition has been clear, crystal clear, Mr. Speaker, in indicating that this is a trade issue and is an international trade issue, and when it comes to international trade issues, whether it be softwood lumber, whether it would be steel, whether it be aircraft sales, Mr. Speaker, that these issues are a federal responsibility. Under our constitution and under our federal system, the federal government is responsible for the people and for the industries affected by unfair international trading practices.

Mr. Speaker, we are unequivocal in our insistence . . .

Some Hon. Members: Hear, hear!

Mr. Hermanson: — We are unequivocal in our insistence that the federal government should compensate industries that are hurt by unfair trading practices of other countries, wherever they may be.

Mr. Speaker, the motion goes on to say that this is discriminatory towards farmers and taxpayers of Saskatchewan.

Well, Mr. Speaker, I will agree with this, although it's a little harder to nail down whether . . . the complete accuracy of this. We don't know what formula is being used. If it's the Fredericton formula as the Minister of Agriculture indicated it likely would be, obviously that formula does discriminate against the producers of Saskatchewan. And certainly we recognize that it then also discriminates against the taxpayers of this province.

Mr. Speaker, the motion goes on to reaffirm our position on calling on the federal government to fully fund the \$1.3 billion trade injury payment to Canadian farmers.

Mr. Speaker, when that number was concluded as the best guess cost of the trade injury that we had received — this is before the passing of the US farm Bill — it was agreed upon by farm organizations, by other provinces including the province of Saskatchewan.

We agreed that if we're going to have to try and nail down a number — in fact it might not even be a large enough number, Mr. Speaker — but we would agree with farm organizations and with the Government of Saskatchewan that we would ask for a \$1.3 billion national injury compensation package for agriculture producers across Canada, of which we believed, if fairly distributed, Saskatchewan would get a reasonable package of support.

Mr. Speaker, then this motion goes on to call upon the Minister of Agriculture, and that's our Minister of Agriculture, to seek support for these positions at next week's federal/provincial meeting of Agriculture ministers.

And we've heard the Premier in question period say that he's going to go down or that . . . I don't know if he's going with the Minister of Agriculture — he didn't say that — but at least

someone is going on behalf of Saskatchewan to fight a mighty battle on our behalf.

While we wish him well and we're behind him, we just hope that he has the artillery to fight a successful battle. It's not much fun going into battle and losing. And we don't want Saskatchewan to lose. And so a lot of responsibility rests on the Minister of Agriculture's shoulders.

Mr. Speaker, I want to make it clear, because there has been some question expressed by the Premier and other members of his government, as to the full support of the Saskatchewan Party in this whole process.

Mr. Speaker, on May 1 the Saskatchewan Party issued a news release which said the Saskatchewan Party supports emergency motion on the US Bill. Again the Premier introduced the motion; I was pleased to second the motion. We subsequently amended that motion. I made the amendment and the Premier seconded that amendment, and it was passed unanimously.

In that exercise, the Saskatchewan Party supported the:

. . . emergency motion calling on the Federal Minister of Agriculture, Federal Government House Leader (and that's Mr. Goodale) and the Federal Minister of International Trade to visit the Saskatchewan Legislative Assembly to hear and respond to (the) concerns about the new U.S. Farm Bill.

I'm reading from the release, Mr. Speaker, it says:

Saskatchewan Party Leader Elwin Hermanson said the Saskatchewan Party also proposed an amendment adding the Federal Finance Minister to the list of federal cabinet ministers named in the motion.

"We felt that Federal Minister Paul Martin should also be asked to attend because he essentially controls the purse strings of the federal government," . . .

Mr. Speaker, I won't go on to read the entire release, but we did say that US legislation would have serious consequences for the provincial agriculture industry.

Mr. Speaker, I go on to look at a release issued the next day, May 2, by the Saskatchewan Party, which said the:

Federal Liberal Government Lacks Interest in Saskatchewan's Growing Farm Crisis.

Mr. Speaker, I again will quote:

Saskatchewan Party Agriculture critic Donna Harpauer today said she is extremely disappointed that federal Liberal cabinet ministers have not accepted an invitation to appear before the Saskatchewan Legislature to address the growing farm crisis.

Yesterday . . . Saskatchewan Party MLAs invited the federal Ministers of Finance, International Trade, Agriculture and the Canadian Wheat Board to come to the Legislature by May 24 and outline the federal

government's response to the new US farm bill.

Mr. Speaker, we made some of the same arguments in this press release that I've just made in our . . . in a defence of our support of the Premier's motion.

Now, Mr. Speaker, the following day on May 3, the Saskatchewan Party issued a release which said that the:

Saskatchewan Party Calls For Conference of Western Provinces on Agriculture and Softwood Lumber.

And, Mr. Speaker, now this was a Saskatchewan Party initiative. This was birthed as an idea by the official opposition in Saskatchewan. In the release we say:

Saskatchewan Party Leader Elwin Hermanson today called for Saskatchewan to host a special conference involving government and opposition members from all four western provinces to develop a united position in response to the US trade attacks on agriculture and softwood lumber.

And the last paragraph of that release says:

Today in the Legislature, Hermanson attempted to move an emergency motion calling for the special conference on agriculture and softwood lumber. Hermanson pledged to work with the provincial government to put together the conference. Unfortunately, the NDP refused to allow debate or voting on the emergency motion.

Mr. Speaker, subsequently the Premier agreed to invite at least two other premiers to Saskatchewan, and that meeting was held. Leaders of the opposition of the three Prairie provinces attended that meeting here in Regina. And, Mr. Speaker, the Premier and the Minister of Agriculture in this province can attest to the fact that we brought constructive ideas to the table when we discussed the strategy to move the federal government in Canada towards a trade injury compensation package.

Mr. Speaker, there were many more initiatives that the Saskatchewan Party undertook. But I want to just outline one more news release, more recently on June 3. The release says:

Hermanson Says Liberal In-Fighting Must Not Delay Farm Aid

And it goes on to say:

Saskatchewan Party Leader Elwin Hermanson has written to new federal Finance Minister John Manley to try to ensure that the federal Liberals' internal problems don't delay Ottawa's response to the US farm bill.

In his letter, Hermanson noted that former Finance Minister Paul Martin indicated his commitment to addressing the issue during a meeting on May 24.

"During that meeting, Mr. Martin indicated that he understood the negative impact of the US farm bill on Canadian farmers and that he was committed to providing new financial assistance . . . I am writing today to urge you to follow through on the commitment made by Mr.

Martin."

Mr. Speaker, the release ended by saying:

Hermanson has joined with other political and farm organization leaders in calling for a \$1.3 billion . . . (agriculture) trade injury payment from the federal government.

And, Mr. Speaker, I would be pleased to table the letter that I wrote to the new Finance minister, Mr. Manley, for all members of the House to peruse.

Mr. Speaker, that's the history. On May 1 we supported the emergency debate here in the legislature. On May 3 we called for the Western premiers to have a meeting in this province to plan a strategy. On May 10 we were part of that meeting and put forward constructive ideas.

Mr. Speaker, another meeting which I didn't refer to in any of the releases was held on May 24. It was the meeting in which three of the federal cabinet ministers did come to Saskatoon. Again provincial premiers, the Deputy Premier of Alberta, and myself as official opposition leader of Saskatchewan, and one other official opposition leader, attended that meeting as long . . . as well as many farm organizations.

Mr. Speaker, again the Saskatchewan Party played a constructive role in the debate and in the dialogue that occurred around the tables and at the microphones of the Sheraton Hotel, the Sheraton Cavalier Hotel in Saskatoon.

Mr. Speaker, I might add that when my opportunity came to question the federal ministers who were present that room, I indicated specifically to Mr. Pierre Pettigrew, who is the Minister of International Trade, that the Saskatchewan Party considered this to be an issue of trade, not of an agricultural nature, and that we expected the \$1.3 billion trade injury program should not be pegged as an agriculture program but should be identified as a trade injury program. And I suggested the fact that it should come from his budget — international trade budget — rather from . . . rather than from Lyle Vanclief's budget which is of course agriculture and which is so often cost shared.

(15:00)

And I might add, Mr. Speaker, that we could have stood a little more support in pressing that point in that Saskatoon meeting, albeit since May 24, the NDP, the Premier, and the Minister of Agriculture have pretty much been in charge.

Mr. Speaker, I can report that the official opposition have not been requested to assist in any of the further negotiations. We have not been privy to the development of the package. We were made aware the day before the Premier decided to go to Ottawa that he was going to do that. Mr. Speaker, we were made aware that the Premier was going to raise the issue in Dawson City in the Yukon.

And, Mr. Speaker, the Premier, in response to repeated questions in this legislature, indicated that things were pretty much under control. He thought things were moving in the right

direction.

Mr. Speaker, back in . . . back when the Premier did go to Dawson City and he met with the Western premiers and Territorial leaders, he indicated to the people of Saskatchewan that he had raised this issue and they were at one point and they were going to make a mark on Ottawa, and they were going to receive some positive response from their unified position.

And then, Mr. Speaker, when Lyle Vanclief was in Rome, the federal Agriculture minister was in Rome and indicated that a cost-shared program would be coming forward soon, the Premier immediately decided to go to Ottawa. He said this is no way to run a country. Off he went to Ottawa and he promised that he would have a hearing from the Prime Minister and there would be results.

Well, Mr. Speaker, the Premier did go to Ottawa and he came back, and he again responded to our questions here, in the Legislative Assembly. He said, amongst other things, in response to questions, and I quote from *Hansard*:

Yesterday the Prime Minister did not divulge to me any specific numbers, but the good news is we have made progress from January.

Obviously, Mr. Speaker, the Premier was sending a signal that Saskatchewan was going to get a better deal than we have been led to believe.

He went on to say:

The Prime Minister assured me that (the) decisions have not been made; that they are at the cabinet table. And we will continue to press the point in every way possible that we can.

Mr. Speaker, as the official opposition, we took from the Premier's comments that there was progress being made and, in fact, that we would get a trade injury payment. Or whether it was called that or something else, it would, would be some kind of a program that would be what we had agreed was required, a program that would be 100 per cent funded by the federal government.

Mr. Speaker, we asked the Premier: are you sure? Do you know for sure that this is the way it's going? And he would not tell the House otherwise.

And, Mr. Speaker, we suggested to the Premier and to the Agriculture minister, let's make sure we get this right before the announcement is made. It's too late after the horse is let out of the barn and the door is closed to try to get the horse back in.

Mr. Speaker, the news this morning was not good. It was not good for the province of Saskatchewan.

We live in a province where, despite the protestations of the Finance minister, we have a significant deficit. Mr. Speaker, under NDP (New Democratic Party) management — or mismanagement is probably the better term — we are having to demand huge dividends from the Crown corporations that they don't have. We are drawing money from a Fiscal Stabilization

Fund that has no money in its account. Mr. Speaker, we are borrowing hundreds of millions of dollars right now. We don't have a \$45,000 surplus.

We are in the glue. We are in the red, and the province has simply placed us in a position where, right or wrong, Mr. Speaker — and I believe the federal government is wrong — but right or wrong, we are not in a financial situation to commit to 40 per cent funding of additional agriculture programs. That's no point to brag upon on the other side, that they have mismanaged our province's finances to the point that we are in this mess.

Now I understand — and I haven't had it confirmed — but I understand that Ralph Klein might be persuaded to go along with this program. And we disagree. We don't think he should do that. We think that he should stick to his principles and also insist that this be a federally funded program.

But of course Mr. Klein has the money because he's been managing his province a whole lot better than the NDP have been managing the province of Saskatchewan. And so he can afford to eat a little crow and he can afford to fund 40 per cent of agriculture programs in Alberta.

In fact, he's gone beyond and left the federal government in the dust in some other areas, in regards to drought relief and spraying for grasshoppers. He's been there for his industry, Mr. Speaker, in stark contrast — in stark contrast — to the NDP government in Saskatchewan. Because while situations on the farm have deteriorated, Mr. Speaker . . .

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

Mr. Hermanson: — Thank you, Mr. Speaker. You know, the official opposition has to tell the truth. We have to tell it the way it is.

We do support this motion, Mr. Speaker, because it's the right thing to do. But we also have to point out that while other provinces have been responding positively for their agriculture sector, here in Saskatchewan what did we do? We dismantled crop insurance. We took away spot loss hail. We took away variable rates, Mr. Speaker. Mr. Speaker, we have not had adequate response to the need to drill wells and to provide irrigation equipment and pumping equipment.

Mr. Speaker, I understand . . . And I haven't heard the entire interview on *Newsworld* but I believe that Lyle Vanclief, the federal Minister of Agriculture, today was criticizing the government and trying to get himself off the hook by saying, you know, we're doing more for Saskatchewan farmers than their own government is doing.

Mr. Speaker, that's an indictment on the NDP government. It's an indictment on the member for Yorkton who claims he's the Minister of Agriculture. And it's an indictment on the wee Premier of Saskatchewan, who throws up his hands and says, I've done all I can do.

Mr. Speaker, we have fully supported the Premier and we have fully supported the NDP in every initiative that they have launched to try to exact a trade injury payment from the federal

government. We have done all we possibly could do, and as I said in question period, we have done more. We have written a letter to John Manley. We have come to the table here in Regina and up in Saskatoon with constructive ideas. We have been full . . . shoulder to shoulder in agreement with the provincial government in calling for a \$1.3 billion trade injury payment.

Now, Mr. Speaker, now, Mr. Speaker, the Premier says well, could the Saskatchewan Party do any better? Well I'll tell you, Mr. Speaker, it would be impossible to do worse than the NDP government has done, because they haven't accomplished anything.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — All the Minister of Agriculture and the Premier have done is falsely raise the hopes of Saskatchewan people and let them down with a crash every time. Mr. Speaker, they have been cruel . . . It's cruel and unusual punishment for the people of Saskatchewan, inflicted on them by their own government.

Mr. Speaker, we continue to support the call for a \$1.3 billion trade injury payment from the federal government. We continue to do that. But we point out to the provincial government that the responsibility to deliver on that rests squarely on their shoulders. Mr. Speaker, they are the Government of Saskatchewan.

Now it's true, Mr. Speaker, that the people of Saskatchewan did not give them a strong endorsement in the last election. They didn't win the popular vote. We know that. They had to rustle up an agreement with the three Liberal MLAs (Member of the Legislative Assembly); they had to have an unholy marriage, Mr. Speaker, to maintain power. We know that's true. But nevertheless, they are the government.

We also know, Mr. Speaker, that we can't count on the provincial Liberal Party to criticize their federal cousins. The Karwacki party is not going to come to bat for Saskatchewan producers. The responsibility and actually the power and the jurisdiction lies squarely on the shoulders of the Premier of Saskatchewan and squarely on the shoulders of the member from Yorkton, the Minister of Agriculture.

Mr. Speaker, we will not break faith with them, but we want to serve notice that we expect something better than we've received over the past months and years. We expect . . .

Some Hon. Members: Hear, hear!

Mr. Hermanson: — We expect them to take stronger positions. We expect them to be firmer.

And let me give you one more example before I sit down. Mr. Speaker, this morning the Premier called a news conference, and what was the first thing that I heard him say? The first thing he says is, well we're making progress. He says, you know, a few months ago, the federal minister . . . the federal government said there'll be no new money. But now there is new money. What a wonderful victory — oh, by the way, we're not accepting any of it, because we've got to fund it to the tune of 40 per cent.

So what he's done is he's given the Liberals credit they don't deserve, Mr. Speaker. He's been too soft. He's been . . .

The Speaker: — Order. Order. I'd ask the member from Regina Elphinstone just to allow the debate to take place without interruption.

Mr. Hermanson: — It's the truth and the truth hurts, that they've been too soft with the federal government. They've been too soft with the Prime Minister. Maybe the Prime Minister will not concede, but they haven't given their best effort, Mr. Speaker. And that's a disappointment to the people of Saskatchewan.

Mr. Speaker, I don't know whether the member from North Battleford is going to support this motion. He does some strange things. He does strange things in the House. Mr. Speaker, I hope he does on behalf of the people of Saskatchewan.

I know we can't count on the federal Liberal government in Ottawa. They've let us down. We just pray to God that the NDP on the other side doesn't let us down, Mr. Speaker.

What with saying that, we're happy to support the motion.

Some Hon. Members: Hear, hear!

Mr. Hillson: — Thank you, Mr. Speaker. Now I'm pleased to join in this debate and to say again — to say again — that I have the 100 per cent support of the Liberal caucus in saying that when it comes to international trade and trade injury, that is solely within the jurisdiction of the federal government.

Now in terms of the announcement this morning, there are some good initiatives for rural Canada that we should all join in supporting, such as the decision to apply new monies to connectivity so that rural Canada will be connected to the broadband Internet.

But I think the trade issue must be viewed as a totally separate issue. Agriculture and agricultural aid is, of course, a joint responsibility of the federal and provincial governments. But international trade is the responsibility of the federal government.

Mr. Speaker, the US farm Bill — \$178 billion passed earlier this year by the American Congress and signed into law by the US President — is entirely money from the federal level of government in that country. Likewise, the national governments of the European Union have totally funded their very high subsidy rate. Some of the members of the European Union, notably Germany, are federal systems. Only in Canada is the federal aid being tied to provincial participation, and the Liberal Party says that is wrong.

Indeed, I found it somewhat bizarre that our Premier flew to Bismarck, North Dakota, earlier this spring to tell the Governor of North Dakota that he should be turning down billions of dollars in federal aid coming into his state. Not surprisingly, the Governor of North Dakota did not respond as the Premier had hoped.

It is also unfortunate that in the provincial budget earlier this year, the NDP gave the finger to the farmers of Saskatchewan. And now they're in the unfortunate position of having to argue, having to argue that the farmers whose interests, who they sacrificed, should now receive more aid from somebody else but they will receive nothing from them.

Mr. Speaker, when Dwain Lingenfelter and I were in cabinet there was at least the education tax rebate for our farm population. Now, unfortunately there's no one in cabinet to argue for our farm interests and of course, the education tax rebate was abolished this year. So it is unfortunate that we don't have somebody in cabinet now to argue, to argue for farm interests.

And I think the Premier is unfortunately in a very weak position in saying, I in my budget, I took away farm support and the education tax rebate. I jacked up farmer premiums on crop insurance, I cut coverage, I have sacrificed farmers' interests all the way down the road but I think the federal government should be doing more.

Mr. Speaker, Alberta today has signed the new farm aid package. That is going to raise the question as to whether the Premier is going to allow this farm aid package to come through to the farmers of Saskatchewan or will the farmers of Saskatchewan be the only farmers in Canada not to receive any farm aid.

Now we support this resolution, all of us, but I have to say that the farmers will still want to know, will farm aid come to all farmers in this country except the farmers of Saskatchewan?

(15:15)

Now we understand the fight with Ottawa and we support the Premier in this. But we do say, farmers have to come first. And we do hope that in view of the rumours we are presently hearing about several members of the government caucus bailing as soon as the session is over, we do hope that this is not about the Premier needing to position himself in the event that a general election has to be called this fall.

And we do say, and we do say that the farmers have to come first and farm aid must come through to the people of and the farmers of Saskatchewan, as it is going to come through to the farmers of Alberta.

And we do say that the measures introduced in the provincial budget when Dwain Lingenfelter and I were still over there should be brought back, should be brought back, that we should not deny all farm aid in the provincial budget. And that if this province has done everything possible to assist its farmers, that will put the Premier in a stronger position to argue that Ottawa too needs to do its responsibility when it comes to issues like international trade.

Mr. Speaker, we know that the US farm Bill is being totally paid by the American federal government. We know that the fishery crisis in this country in Atlantic Canada, was paid for by the federal government. We know that international trade under the Constitution of Canada is a federal responsibility. We know that the subsidies paid by the European Union are paid by their

participating national governments. All of these point to international trade.

And the protection of our farmers against unfair subsidies is and must properly remain solely the responsibility of the federal government. And for that reason I stand in support of the resolution before us today and will proudly vote in favour of it. Thank you.

The division bells rang from 15:18 until 15:26.

Motion agreed to *nemine contradicente* on the following recorded division.

Yeas — 52

Calvert	Addley	Atkinson
Hagel	Lautermilch	Serby
Melenchuk	Cline	Sonntag
Osika	Kasperski	Goulet
Van Mulligen	Prebble	Belanger
Axworthy	Nilson	Junor
Hamilton	Harper	Forbes
Jones	Higgins	Trew
Wartman	Thomson	Yates
McCall	Hermanson	Kwiatkowski
Heppner	Krawetz	Draude
Gantefoer	Bjornerud	Toth
Wakefield	Stewart	Elhard
Eagles	McMorris	D'Autremont
Bakken	Wall	Brkich
Wiberg	Weekes	Harpauer
Hart	Peters	Huyghebaert
Hillson		

Nays — nil

Some Hon. Members: Hear, hear!

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

Hon. Mr. Hagel: — I like that *nemine contradicente* thing too, Mr. Speaker. But I stand to ask . . .

The Speaker: — I recognize the Government Deputy House Leader.

Hon. Mr. Hagel: — Why is the member on his feet, Mr. Speaker? To ask leave of the House to move a motion of transmittal.

Leave granted.

Hon. Mr. Hagel: — I move, seconded by the Opposition House Leader:

That a transcript of the preceding debate and vote be forwarded to the Prime Minister of Canada, the federal Minister of Agriculture, and all Canadian premiers; and that this done . . . that this be done on behalf of the Legislative Assembly by Mr. Speaker.

Motion agreed to.

(15:30)

ORDERS OF THE DAY

WRITTEN QUESTIONS

Mr. Yates: — Thank you, Mr. Speaker. I'm extremely pleased today to stand on behalf of the government and table written responses to questions no. 356 through 360 inclusive.

The Speaker: — Responses to 356, 357, 358, 359, and 360 have been submitted and tabled.

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 78 — The Members of the Legislative Assembly Benefits Act

Hon. Mr. Cline: — Mr. Speaker, I rise today to move second reading of The Members of the Legislative Assembly Benefits Act. The purpose of this Bill, Mr. Speaker, is to address concerns raised by the Canada Customs and Revenue Agency as they — commonly referred to, by the way, as Revenue Canada — as they pertain to compliance of the members of the legislative superannuation Act, 1979 with the Income Tax Act of Canada.

Mr. Speaker, members will be familiar with the fact that each year we are amending several pieces of pension legislation in order to comply with the Canada Income Tax Act as is necessary for pension plans to remain registered under federal law.

Today the member from Canora tabled the third report of the Standing Committee on Public Accounts. And I should point out that the Public Accounts Committee points out that the Fall 1999 Report of the Provincial Auditor, Volume 2 called upon the Department of Finance to ensure that the payments under The Members of the Legislative Assembly Superannuation Act came within the law.

Also the Public Accounts Committee noted that the 2001 Spring Report of the Provincial Auditor and the 2001 Fall Report of the Provincial Auditor both called upon the government to make changes. The Public Accounts Committee has stated that they concur with the Provincial Auditor in both instances that, quote:

The Department of Finance should seek changes to the provisions of The Members of the Legislative Assembly Superannuation Act, 1979 to make them consistent with Canada's Income Tax Act.

And that is repeated twice on page 10.

And so, Mr. Speaker, I want to make it clear that what this Bill does is simply to bring the members of the Legislative Assembly pension benefits in line with the Income Tax Act. And I want to make it very clear that it doesn't make any other changes substantively. It does not change compensation for members of the Legislative Assembly. It redistributes benefits so that the pensions being accrued on behalf of members

comply with the Income Tax Act of Canada.

The most significant aspect of this Bill, Mr. Speaker, is the repealing of The Members of the Legislative Assembly Superannuation Act, 1979 and transferring the members of the Legislative Assembly to the Public Employees Pension Plan, the pension plan for public servants.

And I want to make it clear, Mr. Speaker, that from now on the pension plan of the MLAs will be similar to the pension plan of public servants. It will comply with the Income Tax Act. It will meet the recommendations of the Provincial Auditor. It will meet the recommendations of the Public Accounts Committee.

And so, Mr. Speaker, I hereby move second reading of The Members of the Legislative Assembly Benefits Act.

Mr. Krawetz: — Thank you very much, Mr. Speaker. Mr. Speaker, it is a pleasure to respond to the minister's second reading of Bill No. 78.

As the minister has noted, it has been recommended by the Provincial Auditor for a number of years now, as the Finance minister has indicated from the report dated 1999, that there was a need for the Government of Saskatchewan, through legislative changes, to bring the pension plan of MLAs up to standards regarding compliance with the federal Income Tax Act.

And the auditor has made those recommendations through the Public Accounts Committee, and on different occasions when the Public Accounts Committee has dealt with this, there was recommendation that indeed the Government of Saskatchewan should be encouraged to change the Act to comply with the federal Income Tax Act and that's exactly what has happened in the Bill.

As the official opposition, we have also been involved in some discussions with the members opposite in terms of ensuring that it's understood that the Act is in fact not adding anything additional. It is not changing any of the pension benefits.

What it is doing is putting the Saskatchewan MLA pension plan now under the Public Employees Pension Plan and that will be part of the public employees plan.

Mr. Speaker, there have been changes made to how pensions will be obtained by members, both former and current members, at the time of those members reaching the point where they will be receiving a pension and we believe that this will, in fact, allow Saskatchewan now to be in compliance with the federal Income Tax Act. And thus we should not see, in fact, maybe a future recommendation from the auditor that would tell us to get our act together and our house in order to ensure that we do.

So, Mr. Speaker, this has been at least two or three years in coming, and we support the changes that have been put forward by the Minister of Finance through Bill 78.

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

ADJOURNED DEBATES

SECOND READINGS

Bill No. 47

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Belanger that **Bill No. 47 — The Wildlife Habitat Protection Amendment Act, 2002** be now read a second time.

Mr. Kwiatkowski: — Thank you, Mr. Speaker. It's my pleasure to enter into debate on Bill No. 47, The Wildlife Habitat Protection Act.

Mr. Speaker, we have had an opportunity to examine this Bill and had an opportunity to contact a number of the individuals and entities affected by this Bill. It turns out that for all intents and purposes the majority of the changes contained in this Act are changes with respect to boundaries. And in most cases, as I understand it, were actually changes that were requested by the individuals and entities affected.

Mr. Deputy Speaker, there are a number of issues however around wildlife habitat lands that we think should probably be discussed in a little more detail — not the least of which is that, if you will remember earlier this session, there was some controversy around the government draining the surplus from the Fish and Wildlife Development Fund. And in talking to people familiar with the purchase of wildlife habitat lands and in referencing the minister's second reading speech, I think we understand that most of the land that is purchased is purchased with funds such as that and the taxes for the lands that are purchased are also paid out of funds such as the Fish and Wildlife Development Fund.

So in the future, Mr. Deputy Speaker, we would be curious to know how it is that the government is going to be able to purchase more wildlife habitat lands as they become available, and further to that how it is that they would continue to pay the taxes on that land. These are some of the issues that we will be pursuing in Committee of the Whole.

Another issue — and this is something that I would like to give notice to the minister at this time — is that we would also like to get a better idea of the consultation process that's involved in the establishment of wildlife habitat lands.

I understand that there are cases where wildlife habitat lands have been purchased and designated as wildlife habitat lands, but that surrounding property owners don't feel they have been adequately consulted. And I would like to learn a little bit more about the process, Mr. Deputy Speaker, in terms of how it is that the determination is made, what type of consultation is used in fact to determine wildlife habitat lands, and what the effects may be on surrounding property owners.

But, Mr. Deputy Speaker, I think at this time, after having consulted with a number of the individuals and entities that will be affected by this Bill, and seeing that they have no major reservations, we can leave the rest of those questions until we get an opportunity to meet in Committee of the Whole.

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

Bill No. 68

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Belanger that **Bill No. 68 — The Saskatchewan Water Corporation Act** be now read a second time.

Mr. Brkich: — Thank you, Mr. Speaker. I'm pleased to join in the debate dealing with Bill 68. Bill 68 will significantly change the mandate of the Sask Water Corporation. In short, the government proposes to take steps to transform Sask Water into yet another revenue generating Crown.

I've always found it amazing the twists and turns that Sask Water has taken in an attempt to prove their services, and try to prove to the people of Saskatchewan that they are viable as an arm of this present government.

We all know the track record of Sask Water is riddled with many cases of — unfortunately — with mismanagement, millions of dollars in lost taxpayers' money, and the reluctance of its officials to take responsibility for Saskatchewan's most vital resource, our water.

And now we see with this legislation contained in Bill 68, you know, I think Sask Water is again shirking its responsibility to provide overall provincial water management. Bill 68 will change Sask Water, as I said, into another money-making Crown which will be reduced mainly to providing mostly technical water management consulting to Saskatchewan communities. And then once again this government will be in direct competition with private companies who are already providing the same technical consulting services that are available out there.

I have spoken to many people including a lot of engineers who are disappointed with the fact that they will now have to compete with the government when they are providing their professional services to communities across our province.

The minister has indicated that the regulatory services formerly offered by Sask Water will now be performed by yet another new Crown, the Saskatchewan Watershed Authority. This new Crown apparently will report directly to the Environment minister, if I understand right from the second readings.

Now it's difficult for me to believe that these regulatory services will be handled any better under the environment, an environment ministry, given that this government doesn't seem to know who is qualified to run the environment ministry over the last couple of weeks.

Part of these regulatory services regard the dispute settlement process which is supposed to settle water issues which bring individuals in conflict against each other and sometimes include municipal governments, as well this government knows it's . . . some of the court cases that are presently before it.

Basically over the years this dispute settlement process repeatedly has failed to settle these cases, resulting in numerous

court actions, not to mention the level of . . . (inaudible) . . . that these failures created, has created between the people of the communities, communities with the government.

So it's difficult for me to believe that a problem with drainage or water management in general will be any better served by farming out these services to other ministries. Hopefully we will not see a return to the cavalier investment strategy that worked so badly with Sask Water going into the potato industry.

You know, I hate to keep repeating it but when a ministry loses \$30 million in taxpayers' funds, it's something that needs to be mentioned and reminded to this government quite often. Not to only mention that they did not fail to develop . . . They failed to develop the irrigation potential of the Lake Diefenbaker basin, but they left behind a lingering . . .

The Deputy Speaker: — Order, order. Why is the member on his feet?

Hon. Mr. Belanger: — I ask for leave to introduce guests, Mr. Speaker.

Leave granted.

(15:45)

INTRODUCTION OF GUESTS

Hon. Mr. Belanger: — Thank you very much, Mr. Chairman. And I thank my colleague for allowing the introduction to proceed.

It gives me great pleasure to welcome a number of students from my hometown of Ile-a-la-Crosse. In the west gallery, we have 34 grade 5 students and they're being accompanied by their teachers, Tammy Whitney and Cary McMaster.

And as well we have a number of kids I'd like to especially recognize. It's of course my home community and we have a lot of family there. We have a baby girl Morris that's here, and we also have my niece, Amy, and we also have my nephew, Peter. And I think I'm related to pretty well most of the kids up there.

But I also want to recognize the chaperones, Mr. Chairman. First of all, is one of my old flames, Bernice Corrigan. We also have a gentlemen who I often beat in curling, Howard Morin; and we also have Jessie Corrigan, who we share the same birth date; Laura Gardiner; and we also have as one of the chaperones, my younger sister, Jackie Belanger, up in the top.

And I would ask all members of the Assembly to join me in welcoming the many kids and the many miles that they've travelled today to be here and to make them feel very welcome. Thank you.

Hon. Members: Hear, hear!

ADJOURNED DEBATES

SECOND READINGS

Bill No. 68 — The Saskatchewan Water Corporation Act (continued)

Mr. Brkich: — Mr. Speaker, I just want to join the official opposition in welcoming the school children from Ile-a-la-Crosse. And if I ever got to ask him one question with all his relatives there, I would like to ask if he's as good a hockey player that he's been telling us he has been over the years.

But getting back to Bill 68 here. What most people . . . basically all people in this province assume is one of Sask Water's primary responsibility is the drinking water, is the safe drinking water that they've just come naturally to assume, and they hope that this province has been doing the job there.

Our provincial drinking water has been in the constant virgil of the public eye since the, you know, the water scandals that have been going over the last few years. You know, Saskatchewan was awakened to the very real possible that our drinking water resources were under the threat of contamination.

During this time, the government started this way and that way trying to deflect blame away from themselves. Sask Water at that time did not want take responsibility. Environment, Health officials denied responsibility. This government of course denied responsibility, Mr. Deputy Speaker.

Indeed, the government went so far as to once again off-load responsibilities onto local municipal governments who had few resources and even less technical . . . to deal with the serious drinking water problem.

Dealing with this Bill, there has been a letter sent to me — and I think it's been sent over on the other side — from the Association of Professional Engineers dealing with The Water Corporation Act. I won't read the whole letter but I can read some of it:

As a professional engineer and practitioner in the area of water supply treatment and distribution, I've become aware of what may be a gap in the regulations under The Water Corporation Act which may significantly limit their attendant effect.

And the Act . . . the part he was talking about was section 54, The Water Corporation Act.

Now going through this new Bill 68, I haven't seen where it really addresses this particular problem, Mr. Deputy Speaker. And I know it still concerns . . . And I haven't — I've been cc'd the answer — but I haven't yet to see the answer yet from the Sask Water minister. So that's one of the reasons yet we'll still be adjourning debate on this particular Bill — to get some of the responses from the engineers.

And I know over the . . . I mentioned before some of the engineers, a lot of the engineers talked to, are concerned about this particular Bill and what the role of Sask Water will be.

And also dealing with this particular letter, it deals with submitting engineering estimates before a town can undertake, you know, an underground piping project. Now the danger can

also arise when proper surveys are not conducted and damaged piping can potentially damage fresh drinking water being delivered to residents of the community.

Now basically under The Water Corporation Act, and what he reads here is no approval is necessary for the construction, operation, or alteration of any underground piping associated with the distribution of treated water within the boundaries of a city, town, or village. No approval is required for the construction, operation, extension, or alteration of underground piping associated with the collection of sewage as generated entirely within a city . . . within the limits of a city, town, or village.

Now why would it be that any government body could allow all communities to proceed on changing their water and sewage infrastructure without the proper steps being followed?

The Deputy Speaker: — Why is the member from Cumberland on his feet?

Mr. Goulet: — Leave to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Goulet: — Mr. Deputy Speaker, I'd like to join with the member of Athabasca in welcoming the people from Ile-a-la-Crosse. And to say, of course, to the students for Rossignol School, I know that they're in grade 5, and I hope every single one of them passes onto grade 6 and has another good year next year.

I would like to say thank you to their teachers as well. And I noted in the crowd when I talked to the member of Athabasca that one name, special name was left out, and that was Germaine Kenny, one of the chaperones. So we'd like to include her in regards to the list.

And as well, Mr. Speaker, we all know that in this legislature, the Wayne Gretzky of the legislature is the member from Athabasca, you see, but I think that the Kevin Martin of Ile a le Crosse may be over there with Howard Morin. So I know that Howard and I play a little bit of curling you know in the winter time, while the member from Athabasca is busy playing hockey.

So I'd like to give special recognition again to of course Howard, Germaine, and all the teachers from Ile a le Crosse and the students from Ile a le Crosse.

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

Hon. Members: Hear, hear!

ADJOURNED DEBATES

SECOND READINGS

Bill No. 68 — The Saskatchewan Water Corporation Act (continued)

Mr. Brkich: — Thank you, Mr. Speaker, getting back . . . just dealing with the question in the letter.

Now why, you know basically, why would any government body that could allow any communities to proceed on changing their water and sewage infrastructure without the proper steps being followed you know, needs to be addressed.

I would offer that this government may wish to avoid the costs involved in doing this important advance work. They know that they ultimately bear the responsibility for the infrastructure of this . . . of the provinces . . . of the towns which are affected. And you know basically it seems like they don't want to take the responsibility in the critical areas.

Now Sask Water apparently under Bill 68 now will have the ability to charge for technical expertise and water management advice. It doesn't address any of the infrastructure problems that are facing many of the towns. They'll only be charging them to tell them what their problems are now.

And now it's been, I don't know if it's been determined yet, but this new Crown — well I think it will be determined — this new Crown is going to be competing with private business in this area of water resource management. The big question is just how much will these communities be charged for the services that Sask Water now provides on a commercial basis.

Will the government permit Sask Water to undercut the private consulting firms which already provide the same service? Previous Sask Water officials thought nothing of running individual potato growers out of business when SPUDCO (Saskatchewan Potato Utility Development Company) got into financial trouble and these growers didn't get paid for their product or the services they provided. I would be extremely worried that Sask Water would apply these aggressive business tactics while trying to capture their market share of the water consulting industry.

Now that the dispute mechanism with regards to the Water Appeal Board will now . . . will be . . . will now be under the responsibility of Saskatchewan Watershed Authority, we would hope that this dispute settlement process will be improved to the point where it'll at least be effective in the short term. We cannot afford to have disagreements between individuals and government bodies that last for years and years with no solution in sight.

Certainly, we need to ensure that whatever dispute mechanism is in place should be far more effective than we have seen in previous years.

One of the questions that has the top . . . that is at the top of the debate for Bill 68 is a question of administrative costs. Will there be a new ministry set up for the new mandate of Sask Water? If so, will we have the cost of a minister office and staff, as well as the cost of management and the staff of the new Saskatchewan Watershed Authority also?

I would ask the government, which is constantly talking about fiscal responsibility, just how they figure that splitting Sask Water's responsibility by forming two new Crown corporations has anything to do with saving money for provincial taxpayers.

This government just, you know, just seems to be determined to create more and more Crown corporations as the way to proceed with Saskatchewan's economic troubles. Nowhere do I see anything take . . . taking any imagination . . . or anybody taking any imagination in the way of drawing in new businesses and bringing new people and former Saskatchewan residents back into our province.

The forming of two new Crown corporations sends another message to our young people in our universities and our potential entrepreneurs, that the Saskatchewan government is waiting again to steal your ideas, your initiatives should you decide to set up business or use your university degree here at home.

The people of this province have lost faith in this government's ability to manage the affairs of its taxpayer and Bill 68 is just more proof that they're right in this assessment.

Dealing again on Bill 68, I know we're waiting for a response back. We've sent it out, but the response so far has not been good.

And I know there are other members that wish to address this, so I will right now adjourn debate on this Bill.

Debate adjourned.

COMMITTEE OF FINANCE

General Revenue Fund Social Services Vote 36

Subvote (SS01)

Hon. Mr. Hagel: — Thank you very much, Mr. Chair. It's my pleasure to introduce the officials who will assist me in the committee today. And I do want to draw particular attention to one of the officials today if I may, Mr. Chair.

First of all, as per usual, the deputy minister, Bonnie Durnford is to my right. Seated directly behind Bonnie is the executive director of family and youth services, Richard Hazel.

And I would want to draw to the attention of the members of the committee, that this may very well be Mr. Hazel's last time that he's assisting the minister in the review of estimates of Social Services, as he'll be retiring at the end of next week after 35 years of services to the people of Saskatchewan, Department of Social Services. And I think it would be most appropriate if members of the committee would express support and appreciation of the people of the province for his service in Social Services.

Some Hon. Members: Hear, hear!

(16:00)

Hon. Mr. Hagel: — Directly behind me is the assistant deputy minister, Daryl Jones, and then behind . . . Oh and to the right of the deputy minister is the executive director of financial management, Don Allen. Behind the bar, in small print, are

Larry Chaykowski who is the executive director of housing operations; Craig Marchinko, director of social housing; Phil Walsh, executive director of income support; associate executive director Marilyn Hedlund; Deborah Bryck, director of child care; and Betty West, director of community programs in the community living division; and Barb MacLean, executive director of Saskatchewan Career and Employment Services.

Mr. Chair, if the hon. member would like me to respond to a letter of request for information he provided to me yesterday, I'll do that at this point. And I see him nodding. Yesterday, Mr. Chair, the Social Services critic provided a letter requesting the response to the number of housing units we have in the province. And this is due to the fact that, under the reorganization, housing is now under the jurisdiction of Social Services. Secondly, the commercial value of these units, and thirdly the rental rates per unit and how these rental rates are arrived at.

And I provide to the hon. member this information: that the Saskatchewan Housing Corporation is responsible for a portfolio of nearly 32,000 housing units which are spread around 348 communities around the province. Of these, 1,800 are directly managed by the Saskatchewan Housing Corporation, 18,000 are managed by local housing authorities, and 12,000 are delivered through management and operating agreements with non-profit and co-operative organizations — about 32,000 in total.

The current replacement value of these housing assets is estimated to be \$2.7 billion at this point in time. And the rental rates do vary by program. The social housing program rents were low — these be for low-income tenants, Mr. Chair — are based on the income of the tenants with a typical rent ranging from 222 to \$342 per month. The affordable housing rents — these would be for low- and moderate-income tenants — are fixed at the lower end of the market rents and typically range in the area of 310 to \$624 depending on the building type, the unit size, and geographical location.

And I know as well, Mr. Chair, that it is of interest to the hon. member and members of the committee that the most recent welfare reports are out for the month of May which showed, I'm pleased to report to the committee, another decline — that Saskatchewan has now experienced 90 consecutive months in which our welfare numbers have declined month over month, month over month of the previous year. And in May of this year it represented province-wide a decline of 8 per cent from the previous year.

So, Mr. Chair, having provided that information to the committee, I look forward to the questions of the hon. member and his colleagues and doing the best we can to respond to them.

Mr. Bjornerud: — Thank you, Mr. Chair. And, Mr. Minister, welcome to your officials here today.

I did notice, Mr. Minister, that a number of your officials — at least a couple of them — looks like you and I and they have the same barber. I just noticed that today, so we're off on a real good foot right off the start.

Mr. Minister, I have some questions to do with Sask Housing, which you were just talking about, and I've had some calls with some concerns just lately about the rental rates. Can you confirm, Mr. Minister, that the rental rates for Sask Housing units will be increasing?

Hon. Mr. Hagel: — Mr. Chair, in response to the hon. member's question, there will be a graduated rent scale that will be introduced that will come effective October 1 of this fall.

It was announced in the budget and it's impact will be this, as I just . . . as I earlier said, the social housing rental rates are calculated as a percentage of income and so the increase is described in that term because that's the formula.

After October 1, on the anniversary date of the tenancy, so it'll take a year nearly — well it will take a year after that date for everyone to become affected by it — but there will be an increase of 1 per cent of income.

Mr. Bjornerud: — Thank you, Mr. Minister. Mr. Minister, in conferring with my colleague from Moosomin, if it's possible could we get a copy of the information that you provided to him at the start about the types of housing and the numbers and the rent and that? That would certainly be helpful if you could find . . . or if you could do that.

Mr. Minister, is the formula itself changing that sets the rental rates for the different categories? I notice the second category, I believe you said, was the affordable housing and I didn't catch the name of the first group, the lower rate, income rate. Okay? Is the formula changing and the cap that you have in place now, or do you have a cap? Is there going to be a cap put in place and how is the new formula, the new set-up going to work?

Hon. Mr. Hagel: — Mr. Chair, in response to the hon. member's first request, I'd be happy to . . . what I will do for the hon. member for Moosomin is he wrote me a letter with the information and I'll simply respond by letter with that information. I think that will provide the information that you're looking for.

On the social housing . . . You were asking both social housing and affordable housing. First of all, social housing, the formula is adjusting by 1 per cent so that's the adjustment formula there.

Moving to the affordable housing, which is housing targeted to low- and moderate-income housing, then it is . . . it is largely at the initiative of the local housing authorities that the rental rates for the affordable housing are set, and they are typically targeted to the low end of the housing for the market of that community. What happens is that each local housing authority will make a request for approval, if they see it appropriate to make an adjustment, of Sask Housing. And then if approved, they are required to give a three-month notice to tenants that there will be an adjustment in the affordable housing rental rates.

So there won't be something you could say would be applied across the province. This would be done with sensitivity to the local rental rates and as monitored and directed by the local housing authority with, ultimately then, the approval of Sask Housing.

Mr. Bjornerud: — Thank you, Mr. Minister, and I'm glad to hear that, that . . . I'll explain the concern. One of the concerns I had brought to me, Mr. Minister, was a lady from Kamsack who is in the affordable housing right now. She's a widow, perfect situation — you know how the small apartments are, I think they're like 400 square feet — perfect situation for her. And I believe she pays 400 a month at the present time.

How she got the information, I don't know, but it was her understanding that her rent may go from 400 now to 800 a month. And I thought that would be virtually impossible in small-town Saskatchewan.

Is there a possibility that that could happen, Mr. Minister?

Hon. Mr. Hagel: — Mr. Chair, if it is accurate that the circumstance that the hon. member raises of a person — and I think I'd prefer rather than talking about specific individuals, to deal with the policy — if a person is in affordable housing, if it is an affordable housing unit, then the maximum increase that can be assigned in any given year is 5 per cent.

If on the other hand, if the tenant is in social housing, where the rental rate is a percentage of income, then it could happen that a doubling of income would lead to a doubling of the rental because it's a percentage of income.

But if the hon. member, Mr. Chair, is of the view it's affordable housing and if that's accurate, then the maximum increase possible in any year, in any location, would be 5 per cent.

Mr. Bjornerud: — Well thank you, Mr. Minister. Because that pretty well puts away the myth that her rent could go from 400. Pretty sure, Mr. Minister, that's it's in affordable housing, her husband passed away, and it sounds like that's about the area that she would fit in.

And I guess my concern was that in small-town Saskatchewan, \$800 a month is just not heard of, you know, for rent. And I think her concern was very valid that if her rent went from 400 to 800, she might as well just move out and go get herself an apartment. And I guess my problem with that is the number of the housing units out there, possibly part of them would be empty if it wasn't for people like this lady living in them at this point, which is a win/win in both situations for the community and for the lady.

Maybe, Mr. Minister, can you explain how it works when residents of Sask Housing pay their rent? Does that money come into Sask Housing and then you fund the upkeep and so on of these housing units? How does that work?

Hon. Mr. Hagel: — Mr. Chair, the revenues that go to Sask Housing Corporation are a combination of the rents paid and then the monies allocated by the province of Saskatchewan and the Government of Canada. And then from those revenues, budgets are allocated to the local housing authorities for their operations and their maintenance.

Mr. Bjornerud: — Thank you, Mr. Minister. Mr. Minister, you may have answered this and I may have missed it in your answer. But did you mention caps, because this was one of the questions the lady had brought up. It was her understanding that

there was new caps being put in place and that's where she got to this \$800-a-month point. Is there anything to that? Or you know, maybe what she heard isn't right either. I don't know.

(16:15)

Hon. Mr. Hagel: — Mr. Chair, in response to the hon. member's question — and to try and make it as clear as I can for the comfort of the constituent but also the general understanding of the public regarding the policy — there will be, in the area of social housing in communities where there is significant vacancy, there will be caps put on the maximum social housing, which is the percentage of income, simply in order to be a reasonable . . . to provide reasonable rents where in fact there may not be any other rentals available, and to enable people who may have higher incomes to simply find a place to live.

But under any circumstance . . . And I don't think that applies in this circumstance because it sounds as though the person's, whose concern you raise, is affordable housing, from what you were saying to me. However in either social housing or affordable housing as it affects any . . . the maximum rents, they will not increase by more than 5 per cent in any given year on the maximum rent for the cap.

So I would say that the scenario, if I understand your question correctly, where a . . . Because I think you were saying the constituent wasn't at the . . . necessarily at the maximum now. So I won't comment on that, to avoid confusion.

Mr. Bjornerud: — Thank you, Mr. Minister. My colleague from Last Mountain has brought to my attention too that a community has the right to remove the caps or leave them on if they so wish.

Is that the old way and is that changing? Or is that the way it is from now on, that should a community decide that they don't want caps in place, they probably . . . I don't know if they ask permission or whatever it is, but they can remove those caps and then it's unlimited?

Hon. Mr. Hagel: — Mr. Chair, in response to the hon. member's question, the way the process works then, related to a cap, is that the local housing authority will, if they want to have a change in the cap — maybe a change up, change down, eliminate, put one where there isn't one — when they want to make a change in the cap then they make a request to Sask Housing and Sask Housing . . . and in order to implement the change it has to be approved by Sask Housing Corporation.

Sask Housing will review the request and give the approval based on the criteria of wanting to see equitability through the province and within areas so that you don't have remarkably different circumstances from neighbouring communities for example.

So I think that will respond to the hon. member's question, Mr. Chair.

Mr. Bjornerud: — Thank you, Mr. Minister. Would the situation arise where Sask Housing would go to a community — and I'm not sure if this is what happened in Kamsack — but

would Sask Housing go to a community and say, we think you should remove that cap; so take it away, it's gone, and there was no cap out there, but initiated by Sask Housing not by the board in the community?

Hon. Mr. Hagel: — Mr. Chair, in response to the hon. member's question: it can occur; it's not a frequent occurrence. It can occur that Sask Housing would approach a local housing authority and ask them to look at the cap circumstance. The cap would be put in place if there is, if there is a chronic vacancy, in order to . . . in order then to make use of the units.

However if the chronic vacancy is no longer there and there is for example a long . . . a growing waiting list of low-income applicants, then Sask Housing is aware of that, and the authority has not raised the issue, Sask Housing may come to the authority and work together with them to review the cap circumstances.

This is all . . . should be looked at in the context of the objective of Sask Housing province-wide, is to respond to the housing needs, access to adequate housing, particularly for low-income and moderate-income citizens of Saskatchewan. And so if circumstances may have changed in a community and Sask Housing was seeing the need for the cap being different from what it is, then it is possible that Sask Housing would approach the local housing authority.

Mr. Bjornerud: — Thank you, Mr. Minister. One more question, Mr. Minister. In the case of the lady that had contacted me and she's now paying \$400 a month, if I understood one of your answers right, the most her rent can change is 5 per cent in a year. So I would presume that I can reassure the lady that that's the maximum that her rent can change from where she presently is till this time next year. Is that right?

Hon. Mr. Hagel: — The answer is yes if it's one of two circumstances, which I think it is. If she's in an affordable housing unit, then the answer is yes — maximum 5 per cent. Or if she's . . . if it is in that circumstance a cap — which I think is probably not the case — but if that were the case, it cannot move by more than 5 per cent. If it is a social housing unit, which is based on percentage of income, then the calculation there is dependent on what happens with her income. But I think your . . . Mr. Chair, the hon. member's view is that it's not social housing. So it would appear the answer would be yes.

Mr. Brkich: — My questions also deal with the housing authority, and I know we've had some discussions on that. How many houses on the . . . Well we'll go back to even the question that was before me. How many communities . . . Like I said, right now I have the list of communities that have waiting lists. This year have you lifted the caps on any of them to deal with that problem?

Hon. Mr. Hagel: — Mr. Chair, in response to the member's question, none that we know of unless there is a possibility that the housing authority removed the cap without notifying Sask Housing. But to the best of our knowledge the answer is no.

Mr. Brkich: — Mr. Chairman, another question dealing with Sask Housing. How many houses this year, in this year's budget

starting January up to now, have you moved out of . . . any houses out of any communities up to this point?

Hon. Mr. Hagel: — Mr. Chair, the answer is no.

Mr. Brkich: — Thank you, Mr. Chairman. I'll get back to that.

One other question just when I was listening to the members here, could you explain the difference between social housing and affordable housing — the pricing there and what the rent is? And you mentioned . . . you kept mentioning social and affordable housing. Can you tell me what the difference is between the two?

Hon. Mr. Hagel: — Mr. Chair, in response to the hon. member's question, social housing is housing which is intended for low-income families and the rents in the social housing are based on a percentage of income — that's how they get set. So if you want to know what the amount of rent for a given family would be in social housing, then you have to know what their income is.

Affordable housing is intended to respond to the housing needs of low- and moderate-income families and are part of a strategy to ensure that families with low and moderate incomes will have some kind of reasonable access within the marketplace. And the rents in that case then are set at low end of market for that kind of unit in that particular community.

So it would be impossible to predict, for example, a unit, you know, a two-bedroom unit with 800 square feet, for example, to say how much that would be in affordable housing. It would depend where it is and the condition of it and so on. And then the rents in that case then will be determined by the local housing authority and they will be at . . . they will not be influenced by the family income of the tenants.

Mr. Brkich: — Thank you, Mr. Minister. A question to the Chair . . . through the Chair to you. What percentage of income do you use?

Hon. Mr. Hagel: — Mr. Chair, this really goes back to the I think the very first question asked by the hon. member for Saltcoats. As of October 1, the percentage of income for social housing is calculated on the basis of 26 per cent of household income. And then from that there may be some deductions for certain incomes that would in fact lower the rate. So the effective rate may in fact be lower than 26 per cent, but that's . . . the calculation starts with looking at 26 per cent of household income.

(16:30)

Mr. Brkich: — Thank you, Mr. Minister. Getting back to originally moving the houses, are there any right now, planned moves right now for this budget year, for 2002?

Hon. Mr. Hagel: — Mr. Chair, in this year, in the 2002 year, the plans are to move eight units.

Mr. Brkich: — From where to where?

Hon. Mr. Hagel: — Mr. Chair, in this year there will be . . . the

plans are to move four units from Maymont and four units from Rockglen. And the communities that they're moving to have not yet been announced, Mr. Chair.

Mr. Brkich: — Thank you. Is there any more possible coming up or is that the ones you just know about for . . . or will . . . this budget year, are they done for houses being moved?

Hon. Mr. Hagel: — Mr. Chair, there are some other possibilities.

Mr. Brkich: — Thank you. Now when you're dealing with the moving, the cost of moving some of these units . . . I'll use the ones that are in Kenaston as an example. They're a single bedroom, just single-person units built in the '80s I believe, early '80s — they may even built in the '70s, some of them — I would be very interested . . . and it's been approached to me and I think to a letter even to you the cost of moving these houses are probably worth . . . cost more than the houses are worth; that to either leave them there, if you have to, if it looks like you can't fill them.

But they've had spikes. Two years ago there was a waiting list. I mean this year, they don't have a . . . there's some vacancies. I mean naturally the way the budget restraints are with this government in the last year or two, it seems like they've been really hitting hard. Like if you have a vacancy now, you . . . they want to move that house. Yet if you go back over the records, they've had spikes where there's been waiting lists and odd years some vacancies and back up to waiting lists, back and forth. Especially in towns that live closer to big cities or if a construction job happens to come open.

But if, the very last thing, if you decide that you are going to close these units, wouldn't it be better to sell them to the town or to individuals rather than try and pick them up and move these houses that are 25, 30 years old?

And I've worked for a moving company, years and years ago, and you start moving small, little houses like that — you get the cracked plaster, the windows. It gets very expensive to the work that you have to do once you take them back there. And plus, I believe, that you take the sites back, put them back originally like you have before, so there's a cost of that.

Hon. Mr. Hagel: — Mr. Chair, just in response to the hon. member's question and also to give it a bit of a context as well. The guideline that's used to determine whether it's practical to move a house from one community to another is 75 per cent of the cost of building anew. And so when Sask Housing makes the decision to move a unit from one community to another, it would be in that context.

Sale is something that can be considered, but what we always have to keep in mind is the purpose for Sask Housing, the role it plays within the province, Mr. Chair. And although on the one hand, the sale can provide some revenues, it may not position Sask Housing to put a new unit in a community where the need is high. And so it's on that basis a judgment has to be made.

Just to give that some context, Mr. Chair, because quite honestly I think many people don't realize the demand that there is on the housing system, and I have to admit I was a bit

surprised when housing came to Social Services on April 1 and I began to understand more clearly the social housing need within the province.

As I said in response to the member from Moosomin's written question when we first began here, Sask Housing is responsible for some 32,000 units across the province and does it in a variety of ways, as I described.

In addition to that, Mr. Chair, in addition to that we identify that there are some 56,000 additional families in Saskatchewan that . . . who require some form of assistance in order to have reasonable access to reasonable housing.

And so it is in this context for Sask Housing to meet its social obligations to the people of Saskatchewan that we must always be paying attention and making decisions on a specific basis — and recognizing that there are limited resources, as we all know, and that the demand is extremely high.

So I reinforce again, 32,000 units in place under the authority of Sask Housing right now, or the involvement, but an additional 56,000 families in Saskatchewan who are estimated to be needing some form of assistance. So that gives a context to the decision making, I think.

Mr. Brkich: — Mr. Minister, getting back to the moving costs. Last year would you have a total cost for what was charged for moving any of the houses, you'd had a total bill? Could you give me what the total bill was for last year of any houses you moved?

Not per house, you may not have a breakdown of that, but even just a lump sum. I think I have . . . how many houses were there? I can figure out what it costs if you don't have that broken down per house.

Hon. Mr. Hagel: — Mr. Chair, just let me correct the statement I made in the previous answer when I referred to 56,000 families. I would be more accurate to say 56,000 households need some support and have access to reasonable housing because not all of those households are necessarily families.

Mr. Chair, in direct response to the hon. member's question, I can only give . . . actually I can be specific to the answer, to the question that you didn't ask, and have to approximate to the one that you did. So if I can just do it the other way around.

Last year the amount spent was approximately \$930,000. That won't be precise but it'll be close. But the average cost to move each home was \$46,700. So that's the per-home cost.

Mr. Brkich: — Thank you, Mr. Minister. \$46,000 was the average cost? That seems, well, seems fairly high. But you could probably build units for . . . like the ones in Kenaston, I'll just use an example, I'm guessing at 50, 60,000 you could probably build them. Especially if you're building several units at a time and naturally your costs . . . you'd be buying in bulk or your contractors would be doing more things in bulk, your costs would be undercut at that. Has your department looked at that?

Hon. Mr. Hagel: — Mr. Chair, the \$46,700 includes then the cost related to cleanup at the removal site, transportation of the

unit, the land, the new foundation, and refurbishing cost to bring the unit to an as-new condition when it's then located. The equivalent new construction cost for the equivalent unit would be estimated at \$65,000.

Mr. Brkich: — Thank you, Mr. Speaker. That's some clarification to it because at first I just asked what the moving costs were. But still 46 . . . (inaudible interjection) . . . yes, well thank you . . . but still forty-six thousand, sixty-four, it's about \$14,000 difference. You know, it's not a huge amount of difference. It might be even better to build in some of these communities and try and keep some of these houses in the other communities.

But it goes back . . . I have one more question dealing with, when you do move units from a town and you clean the site all up, what do you do with the land back? I imagine you want the town to take it back, but what if the town doesn't want to take it back? Some of these lots are on corners, they're very small, nobody else could build . . . nobody really wants to build some units that small.

Hon. Mr. Hagel: — Mr. Chair, not that I want to become a mathematics professor, but the . . . just in response to the hon. member's difference about . . . difference between moving and building, is that the difference between 65,000 and 46,700 would be some \$17,300. So it would be a little bit more than the hon. member quickly estimated.

Just in response to the question then, the Sask Housing works together with the local community. There's no surprises here. Nobody can come sweeping in in the middle of the night with a big skyhook and lifts this thing up and leaves town.

This is a process that is done in co-operation with the local community and worked out with the community as they understand the circumstances. And the large, large majority of time, I'm advised, then the property is turned over to the community.

Mr. Brkich: — Thank you, Mr. Minister. But with the \$17,000 difference, you also have a brand new home there too, not a 30- or 35-year-old home, also is one way to look at it.

And the communities that I've talked to, I haven't heard one that was happy about it or were considered in the consultation process. Eventually it just out of the region: we'll make the decision that the units are gone and they're gone.

And with that, I guess I really don't have a question. It's just more of a comment that I hope that you will take into consideration some of the remarks that were made here of trying to . . . The government always constantly is trying to talk about revitalizing rural Saskatchewan. Well you just keep yanking one service or one thing out of there one time after another. I've just got another one, that were taking class 1A testing out of Outlook and Davidson.

Every few months it's always something coming out of some of these towns, and so . . . and as you keep taking stuff out, eventually you're going to have nothing left.

(16:45)

Hon. Mr. Hagel: — Mr. Chair, I appreciate the hon. member's remarks and certainly will note them as he requests.

I also must remind the members of the committee that in the context of response . . . (inaudible) . . . Sask Housing, that of course when a unit moves somewhere it's also going to a community that typically has a long waiting list and then is in response to the needs for housing in that community.

So Sask Housing is committed to working together with communities; the housing authorities are very important in the operation of the whole housing system. And our obligations are across the province and unfortunately we don't have the luxury of only looking at it from a single community's point of view; Sask Housing and through its housing authorities needs to look at the needs in a variety of communities.

And so where I appreciate on the one hand the point the hon. member raises, on the other hand there'll be another community somewhere that will be happy to see a new unit.

Ms. Bakken: — Thank you, Mr. Chair. I have a question for the Minister of Social Services. It's regarding the career laddering program. I had a constituent come to me who had been enrolled in this program; had been taken off of welfare to be put in the program, which was a very positive thing for her, and she was very encouraged by it.

She also was then awarded a place of employment. The employer worked with the government officials to make her place of employment available and — but with some reluctance — but she finally . . . she did agree that it maybe would work for her because it would . . . if she got the person trained they would be able to fill in for holidays and so on.

This girl took the career laddering program from November 19 to April 19, just got started into the job, I believe only one week, and the program was cancelled.

I would like to know why the program was cancelled.

Hon. Mr. Hagel: — Mr. Chair, just in response to the member's question — and unfortunately I think we're going to . . . I'm advised we have to move to Royal Assent — but it would appear that the question is more appropriately directed to the Minister of Learning, to the Department of Learning.

The career laddering program, if it's discontinued, it was most likely a program offered either by a private vocational school or a regional college. And so if a training institution makes a decision to discontinue a laddering program then that might . . . it would be for their own reasons, often would relate to the registration within.

Mr. Chair, I apologize to the hon. members who may have more questions. We'll look forward to estimates continuing at another time. But we're advised that the Assembly must receive Her Honour for Royal Assent in just a few moments. And so therefore I would move that the committee rise, report progress, and ask for leave to sit again.

The committee reported progress.

ROYAL ASSENT

At 16:52, Her Honour the Lieutenant Governor entered the Chamber, took her seat upon the throne, and gave royal assent to the following Bills:

- Bill No. 6 - The Horned Cattle Purchases Amendment Act, 2002
- Bill No. 301 - The Conference of Mennonites of Saskatchewan Amendment Act, 2002
- Bill No. 302 - The Sunnyside Nursing Home Amendment Act, 2002
- Bill No. 303 - The Saskatchewan Association of Rural Municipalities Amendment Act, 2002
- Bill No. 13 - The Speech-Language Pathologists and Audiologists Amendment Act, 2002
- Bill No. 37 - The Medical Profession Amendment Act, 2002
- Bill No. 39 - The Prescription Drugs Amendment Act, 2002
- Bill No. 42 - The Saskatchewan Medical Care Insurance Amendment Act, 2002
- Bill No. 14 - The Vehicle Administration Amendment Act, 2002
- Bill No. 44 - The Animal Products Amendment Act, 2002
- Bill No. 50 - The Department of Agriculture and Food Amendment Act, 2002
- Bill No. 51 - The Farm Financial Stability Amendment Act, 2002 (No. 2)
- Bill No. 7 - The Electronic Information and Documents Amendment Act, 2002
- Bill No. 20 - The Consumer Protection Amendment Act, 2002
- Bill No. 25 - The Cost of Credit Disclosure Act, 2002
- Bill No. 49 - The Charitable Fund-raising Businesses Act
- Bill No. 1 - The Ethanol Fuel Act

Her Honour: — In Her Majesty's name, I assent to these Bills.

Her Honour retired from the Chamber at 16:55.

The Assembly adjourned at 16:56.