

The Assembly met at 2 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Mr. Saxinger: — Thank you, Mr. Speaker. Mr. Speaker, I'd like to introduce to you, and to the members of this Assembly, a couple we have visiting here from Germany; they are sitting in the Speaker's gallery. Their names are Heide and Ernst Urmann from West Germany. And with your permission, I would like to say a few words in German to welcome them.

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

Mr. Speaker, help me welcome the guests and wish them a good trip back to Germany.

Hon. Members: — Hear, hear!

Mr. Tchorzewski: — Thank you, Mr. Speaker. I am very pleased to bring to the attention of the House some special visitors we have here this afternoon from the Glencairn child care centre. There are 13 students between the ages of 6 and 11 in the Speaker's gallery who are here to tour the legislature and watch the question period. I am looking forward to meeting with them for pictures and some refreshments after the question period. They're accompanied by Brad West, Pauline Lagassé, and Annette Parisloff. I ask all members, Mr. Speaker, through you, to join me in welcoming these guests to the legislature this afternoon.

Hon. Members: — Hear, hear!

ORAL QUESTIONS

Deduction of Increase in Flat Tax

Mr. Tchorzewski: — Thank you, Mr. Speaker. Mr. Speaker, I would like to direct a question to the Minister of Finance. Mr. Minister, I want to ask you a question about another example of how you have misled Saskatchewan taxpayers over the last several weeks.

One June 2, when you announced an increase in the flat tax on net income, you said in your announcement, which I have here, and you said:

In order to achieve the increase of one half of 1 per cent for the entire year, the flat tax will be increased by 1 per cent for the final six months of this year.

Nothing in your announcement talked about retroactive deductions. And yet, throughout Saskatchewan thousands of people have now found that they are having retroactive deductions on their flat tax. I have here example of . . . one example of check stubs from one individual who represents thousands, in which the deductions for the pay period from the first part of June to the first part of July amounted to an increase in the flat tax

of \$91.81. Not many people can afford that kind of surprise.

Along with those checks that came out, Mr. Minister, was a letter . . .

Mr. Speaker: — Order, please. Order, please. I'd like the member to get to his question. I think he's had a rather lengthy preamble, and I would like to have him get to the question.

Mr. Tchorzewski: — Thank you, Mr. Speaker. I intend to get to the question, Mr. Minister, can you explain why a major number of major Saskatchewan hospitals are applying the flat tax increase retroactively on payroll checks?

Some Hon. Members: — Hear, hear!

Hon. Mr. Lane: — Thank you, Mr. Speaker. The budget did make it clear that the half point increase in the flat tax would be effective January 1. And when I made the announcement that the tables would be adjusted July for September . . . or June 30, I do share the . . . and let me state that disappointment is too mild a word, that some employers have chosen to make the deduction of the first six months in one lump sum.

There is no requirement under The Income Tax Act, no requirement provincially, that they make those deductions. Quite the contrary, Mr. Speaker. As a matter of fact, I am advised that the Department of Health will be notifying employees that it is the employer's choice to do that. I find that the employers are, frankly, being unfair, and that they should do it over the period of six months. So I share the hon. member's concern about the actions of some employers.

Mr. Tchorzewski: — Mr. Minister, sharing people's concerns after the fact is not good enough. Mr. Minister, all of these people have received letters saying that their retroactively is due to your increase in the flat tax announced in your budget.

If Saskatchewan's major hospitals, who have hundreds of staffs and a very sophisticated management system, are making this kind of an error — as you call it; and I'm not sure it's their error — if they're confused about how this process should work, can you assure the Assembly that no other employers have been confused by this tax hike as well? And what, Mr. Minister, are you going to do to clarify the problem which you have created?

Some Hon. Members: — Hear, hear!

Hon. Mr. Lane: — I can remind the hon. member: when the flat tax was introduced in Saskatchewan, if I recall, it was only one of the major employers in the province that chose to deduct it all at one lump sum, and that was the hospital employers. And the now Leader of the Opposition raised that particular matter at that time.

Quite frankly, I would have thought that the major hospitals would have recalled the fact that the imposition that had on their employees. There is no obligation, and I

would urge, again, the hospitals — they had the choice to deduct the tax over the course of the following six months. They have the right to make that decision. I disagree with the employer's decision. I think the employers are being unfair to employees to deduct it all at once. I understand that, as I say, the Department of Health will again be indicating to the major hospitals of the unfairness. They do have the right to do it. I think it's unfair; I think they're not dealing fairly with their employees. But again, they do have the alternative of deducting it over the period of six months.

Mr. Tchorzewski: — Supplementary, Mr. Speaker, Mr. Minister, you didn't tell Saskatchewan taxpayers or employers anything about an alternative when you made this announcement on June 2.

What you're doing, Mr. Minister, is that you're taking large chunks of those deductions now on a retroactive basis, and you're causing people a great deal of financial suffering by having allowed this kind of a massive deduction because of the confusion which you have created by your unfair approach to budget making.

Mr. Minister, don't blame it on the hospitals, and don't blame it on the taxpayer . . .

Mr. Speaker: — Order, please. Order, please. Order, please. I'm afraid the hon. member is once more getting a bit too lengthy, and I would ask him to put his question.

Mr. Tchorzewski: — Mr. Minister, it is a problem which you created because you're never able to do what you are saying you're going to do. It's your problem, and I ask you: what steps are you going to take, or what steps have you taken, to make sure that this problem does not continue into the future?

Some Hon. Members: — Hear, hear!

Hon. Mr. Lane: — Mr. Speaker, I understand to date that the only ones that we're aware of, large employers that are taking this action, happen to be the major hospitals. They're the only ones that have been brought to our attention.

If I recall, when the flat tax was introduced, again it was only the hospitals that chose to take the rather Draconian step of making the deduction all at once.

If others are having, frankly, a little more consideration for their employees by spreading the deduction over the period of six months, then, Mr. Speaker, I think that the responsibility does fall on the employers that are under discussion this morning. The fact that one major group of employers only are deducting it in what I think to be an unfair way, I don't think reflects on the way that the tax is deducted across the province.

And so they do have the option. I find it, as I say, I think disappointing is a polite word, that the major hospitals . . . there is no requirement, notwithstanding what the member from The Battlefords said from his seat, no requirement that they have to make that deduction all at once from Revenue Canada or the Department of Finance or the province of Saskatchewan.

Hon. Mr. Blakeney: — Supplementary, Mr. Speaker. Mr. Minister, is the Regina General Hospital one who has acted in the way of which you disapprove? Is the Pasqua Hospital one? Is the Plains Hospital one? And does your government own all three hospitals?

Some Hon. Members: — Hear, hear!

Hon. Mr. Lane: — Mr. Speaker, I think the hon. member knows full well how the hospitals operate. And they are employers, Mr. Speaker, and they do have that option. I suggest that if, of all the employers in the province, that only the hospitals have chosen to make the deduction at once from one pay check, then obviously that is not the government.

Secondly, I find it, as I say, terribly unfair for that narrow group of employers to have singled out their employees in such an unfair manner.

Renewal of Licenses of Investment Companies

Hon. Mr. Blakeney: — New question, Mr. Speaker. My question, Mr. Speaker, is to the Minister of Consumer and Commercial Affairs, and it deals with the protection of investments made by Saskatchewan people.

Madam Minister, your department has licensed, under The Investment Contracts Act, the firms First Investors Corporation and Associated Investors of Canada. The license was renewed in January of this year and revoked. I believe, earlier this month after it became apparent that these firms were in trouble. Clearly the duty of your department, Madam Minister, to see that these firms are operating in accordance with provincial law.

My question then is this: since a number of Saskatchewan people are now finding that their savings are, or may be, at risk, could you tell this Assembly what criteria your department used in deciding to renew the licenses of these two firms on January 1?

Some Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — I can advise the hon. member that the two firms in question were licensed as extra-provincial institutions operating in Saskatchewan. And as is the practice across Canada, when any province, whether it be B.C. or Manitoba or Ontario, license an extra-provincial institution to operate within their jurisdiction, it is the practice to rely upon the incorporating jurisdiction to see that regulations are upheld.

And I might say to the hon. member that we were given two days notice from the Government of Alberta that they would be cancelling the licenses of those two particular firms.

Hon. Mr. Blakeney: — Supplementary, Madam Minister; supplementary, Mr. Speaker. Madam Minister, we are talking about the administration of Saskatchewan law, and my question is this. It concerns how we got into this mess and after all the evidence that financial firms in western Canada were in trouble, and your department

decided to license them. I ask you, Madam Minister: does not the Act which you administer state in specific terms that if the superintendent of insurance is of the opinion that, for any reason, these firms should not be granted a renewal of license, then the license should not be granted? I ask you again, does not the Act provide that? And I ask you, what criteria were used to decide that these firms should be renewed in their licensing and their ability to sell investment contracts to Saskatchewan people?

Some Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — Mr. Speaker, as I indicated to the member in his first question that Alberta is the incorporating jurisdiction and as such has the primary responsibility for regulation of companies . . . of this company's affairs . . .

An Hon. Member: — That's not what the Act says.

Hon. Mrs. Duncan: — That's not quite correct. I might say to the member that's chirping from his seat.

The practice across Canada is for provinces to rely upon the incorporating jurisdiction to see that regulations are met, that capitalization criteria and that type of thing are met. We licensed the two particular firms as extra-provincial institutions operating in the province. There is some requirement for them to file with the superintendent certain documents, but those documents really are filed here, and we rely upon Alberta as the incorporating jurisdiction to delve into the parent company and see that things are as they should be.

Hon. Mr. Blakeney: — Supplementary, Madam Minister. According to my information, in 1985, the Alberta Securities Commission rejected a prospectus filed by First Investors because they said too many mortgages were in arrears. I ask: did your department have that information? If not, why not, and if so, why did they not investigate to see whether or not these companies were in difficulties before your department renewed their license on January 1, 1987?

Some Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — Mr. Speaker, I would have to take notice on the specific questions asked by the member, but I would just reiterate that I can understand the anxiety of the investors. You know, they're feeling quite bad because as of this point they don't quite know what the status of their investments are. But I understand there is a meeting tomorrow night in Regina with the different departments. And I believe the Department of Finance will be sending a representative, as will my department, as will the federal department.

Hon. Mr. Blakeney: — Supplementary, Mr. Speaker. As you are aware, Madam Minister, the Act which you administer, The Investment Contracts Act, provides that any such investment contract selling company have assets on deposit with a chartered bank or trust company which will be sufficient at all times to pay out the outstanding investment contracts.

My short question to you is this: was that complied with? Can you now tell the investors that the money was in the banks or trust companies as required by Saskatchewan law? And will you now assure them that their money is safe, or if it's not, tell them why that provision of the law was not enforced.

Some Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — Mr. Speaker, I will say one more time. Alberta is the incorporating jurisdiction. The companies in question were licensed as extra-provincial corporations working within the boundaries of Saskatchewan. And as is the practice, and has been for many, many, many, many years, it is the primary responsibility of the incorporating jurisdiction to see that capitalization requirements are met and all those things are as they should be. I did indicate to the member that I would get the information on the specific questions he had asked, and I shall do that forthwith.

Mr. Shillington: — A number of allegations, Madam Minister, have been made about the way these two firms and their salesmen dealt with the Saskatchewan public. I trust we aren't going to allege that this is also an Alberta responsibility. I trust this, at least, will be accepted as a provincial responsibility.

These investors claim that they were assured that all companies were one and the same, and that if one got into trouble, all would help out. They claimed they were never told their money was being transferred from Principal Trust to the other companies. They say they were told that their investments were better protected than they would be if they were covered by the Canadian Deposit Insurance Corporation.

Could the minister tell this Assembly if her department is undertaking an investigation into these allegations and when we might expect a result.

Some Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — Mr. Speaker, in response to the hon. member's question. Yes, I have read about those allegations in the media, and some of them have been brought to the attention of the department. However, upon examining some of the policies that investors have brought to the department for examination, I might indicate that on several places it is stamped in bold print that these investment contracts are not covered by Canadian Deposit Insurance Corporation. They're clearly on the signed contracts with these people.

It is very difficult, I think, for us to say yes or no. I do believe that there will be legal action open to individual investors should they want to pursue it, if they felt they were wrongly informed by the investment counsellor.

Mr. Shillington: — Supplementary, Madam Minister, the allegations are of two sorts. One, that the salesmen were not honest with them, and two, that the material was not clear.

Madam Minister, some decades ago it was determined by this legislature and the government of the day that the

average public are unable to protect themselves, are unable to understand these documents unless they're very sophisticated investors. That's why the taxpayers, through their tax dollars, pay your salary and the salary of other officials, to do that for them. And they suggest, Madam Minister, in this case you've been derelict. I ask you: what are you doing to accept your responsibility to protect the Saskatchewan public after the fact by investigating these allegations?

Some Hon. Members: — Hear, hear!

Hon. Mrs. Duncan: — Mr. Speaker, I will just . . . In response to the member, we have had a number of investors come to the department with that type of complaint — that they were wrongly guided by some of the sales people. But when they produced the contracts that they signed, in very large bold print on the contract it clearly states that the investment certificate that they signed was not covered by Canada Deposit Insurance Corporation.

Cuts to the Saskatchewan Human Rights Commission

Ms. Simard: — Mr. Speaker, my question is to the minister responsible for the Saskatchewan Human Rights Commission.

Mr. Minister, the provincial budget chopped nearly \$200,000 and five staff positions from the Human Rights Commission. And a few months ago, a judge had thrown a complaint out that was not dealt with in a timely manner by the Human Rights Commission because of a serious backlog of cases. Why, in the light of this backlog, have you chosen to cut this important watch-dog agency that protects the right of all citizens of Saskatchewan?

Some Hon. Members: — Hear, hear!

Hon. Mr. Andrew: — Mr. Speaker, the budget increase for the Department of Justice, which encompasses the Human Rights Commission, in fact increased this year some 17 per cent, and that is fairly significant, relative to most other departments of government.

Now the problem was that you had to increase, number one, the cost to policing the R.C.M.P. coasts. There was some stress and strain on the corrections and so that we had to try to keep that particular group whole. As the hon. member, as a lawyer, would know, it's rather difficult to contain the costs of the court system, if you like, and they tend to establish for themselves what they wish to spend, resulting in that in this department we had to demonstrate, I think, that while nobody likes, necessarily, to cut staff back, the economic realities were such that had to curtail it.

Now we believe that with the Human Rights Commission, I think they are to receive something like 15 per cent less than they did last year. I know that could be difficult for them.

I met with the people today. We discussed how they might get through the year with that particular funding, and they indicated to me that they would do their level best to (a) continue to provide the necessary function of a

human rights commission with the budget that is there.

Now I think they, like everybody else, have had to get by in difficult times, and therefore I think they will shoulder their responsibility accordingly.

Ms. Simard: — Supplementary, Mr. Speaker. Mr. Minister, you made a number of choices in your budget. You chose to cut the Human Rights Commission by \$200,000 and five staff persons. For whatever reason, you made that choice. But you also chose to maintain the political staffs of the Premier and cabinet ministers at 183 people, with a budget of some \$10 million. Now I would like you to tell the people of Saskatchewan what that says about your priorities.

Hon. Mr. Andrew: — It says the following. I'm sure that the staff of the Premier's office and every other department has in fact been pared down; with a smaller cabinet, in fact, we have fewer people.

The members opposite have a set amount of funding that they get through the Legislative Assembly. I don't see them complaining that they didn't have to have a cut taken to them. And I don't think that they would ever deny that the staff hired by the NDP is not political staff in nature.

And I think everybody in government took an exercise as we went through this process, Mr. Speaker, as we went through the process of this budget. We made some difficult choices, and some of those choices obviously were difficult.

The reality is that you have to (a) have increased revenues. In a time of difficult agriculture problems, it's tough to have revenues increased. So the members opposite want few taxes, Mr. Speaker, on the one hand; they want a lower deficit on the other hand, Mr. Speaker; and they don't want to make any cuts in the third place.

Ms. Simard: — Further supplementary, Mr. Speaker. Mr. Minister, even in tough times other provinces have managed to protect the rights of their citizens because that has been a priority for them. Alberta's Human Rights Commission has a staff of 23, and even though the Alberta government has been cutting spending by some 20 per cent in its recent budget, the Human Rights Commission staff hasn't been changed.

Manitoba's Human Rights Commission has a staff of 23. We only have 15 here, and we're in the middle of those two provinces. This is comparable. Why is it that these and other provinces put a higher priority on the protection of their citizens' human rights than Saskatchewan does?

Some Hon. Members: — Hear, hear!

Hon. Mr. Andrew: — Well, Mr. Speaker, I don't think we need to take a back seat to Manitoba or Alberta or British Columbia, and in fact we don't, in the way we operate government, whether it's in the court system or whether it's in the Human Rights Commission.

As I indicated to the Human Rights Commission today — I have indicated to them on previous occasions. Everybody has to tighten their belt a bit. In the case of the Human Rights Commission, for example, they have a group of employees who work on a 32-hour work week. Now I . . . And it's not for me to tell them how to run their operation. But it would seem to me that somebody that have staff that have a union contract with a 32-hour work week . . . Is that really a proper work week, or could they maybe work a little longer. I'd throw that out to them. It's not for me to tell them how to do it. It's for them to determine their own way, and maybe that's appropriate that they should only work 32 hours. I don't know. Those type of questions.

But, Mr. Speaker, I am convinced that the Human Rights Commission will in fact, with the budget that they have to live with, which is less than 15 per cent from last year, Mr. Speaker, that I am sure that they will be able to meet their obligation to protect the rights, Mr. Speaker. And I have all the confidence in the world that Mr. Kruzeniski and the people involved in the Human Rights Commission will, in fact, do their job and we will carry on . . .

Mr. Speaker: — Order, please. Order, please. Order, please. I have mentioned before that when the Speaker is on his feet, I would ask hon. members to respect that, and I think it is not in keeping with the dignity and decorum of this House if hon. members continue to talk after the Speaker is on his feet. And here today we witnessed a debate going on from both sides of the House after I was on my feet, for a considerable length of time after I was standing. I ask your co-operation in this.

INTRODUCTION OF BILLS

Bill No. 17 — An Act to amend The Corporation Capital Tax Act

Hon. Mr. Lane: — I move first reading of a Bill to amend The Corporation Capital Tax Act.

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

Bill No. 18 — An Act to amend The Tobacco Tax Act

Hon. Mr. Lane: — I move first reading of a Bill to amend The Tobacco Tax Act.

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

Bill No. 19 — An Act to amend The Education and Health Tax Act

Hon. Mr. Lane: — I move first reading of a Bill to amend The Education and Health Tax Act.

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

ORDERS OF THE DAY

COMMITTEE OF THE WHOLE

Bill No. 11 — An Act to amend The Farm Security Act

Mr. Chairman: — Would the minister introduce his officials.

Hon. Mr. Andrew: — With me is Doug Moen and Sam McCullough from the Department of Justice.

Clause 1

Mr. Upshall: — Thank you, Mr. Chairman. I'm a bit disappointed to see that the Bill directed to farm security is not being handled by the Minister of Agriculture, and I'm sure that he has many, many duties to do, and is in fact right now, at a very important meeting; and the problem that I find in this is that he's had ample time to bring this before the House when he was here, but I find it odd that he chose not to be here when the Bill was being brought to the floor. I find it odd that an issue as important as farm security doesn't seem to be that high in the priority of the Minister of Agriculture. And in fact, the statute has run out as of July 1, so there was time before to direct his attention to this. So I kind of feel that possibly there's a reason for him not being here, and that reason, I suggest, is the fact that he's not that concerned about the security of farmers in this province.

Some Hon. Members: — Hear, hear!

Mr. Upshall: — Regardless of what anyone says, Mr. Chairman, the farm crisis continues to go on and continues to worsen. We're losing farmers at an alarming rate. And unfortunately all indications say that this trend is going to continue.

We have this situation. In the world today we have Ronald Reagan in the United States, we have Thatcher in Britain, right wing governments, right wing powers in Germany and France and Argentina and Canada, all talking about agriculture and what they're going to be doing for agriculture. And I find it very odd that this right wing faction cannot bring themselves to, although they preach the importance, to get together for the mutual benefit of their farmers.

And I see Brian Mulroney and our Ministers of Agriculture who should be in there talking about agriculture and trying to get some common consensus. After all, they're the right wing buddies of all these other people. The dilemma continues, continues to worsen.

The front is one of right wing co-operation, but the facts show continuing subsidy wars, to the dismay of Saskatchewan and North American farmers and, I might add, to the glee of the multinational grain traders.

One would think that this elite group would be able to tie their principles around a theme of mutual concern and remedy the situation. Actually the reverse is true. You hear not one mention of an international grains agreement — not one mention. With all these buddies around the table, Canada and Saskatchewan are losing because they don't have the people . . . we don't have the right people in place to hold the fort for Canada and Saskatchewan.

Thousands of Saskatchewan farmers are losing sleep over

where their next dollar is coming from. They're making major farm decisions in light of uncertainty — tremendous uncertainty. I ask: when are the concerns of the public are going to be answered by this government. Unfortunately, I can't see that they ever will be.

Just look at this government's formula for disaster at the time when we need security. No support for grain transportation; no support, or reduced support, for beef producers going to a national tripartite system; farmers receiving less dollars; reduced support for hog producers by moving to a tripartite system with little or no input from the farmers of this province; no support for land transfers; and a completely reckless approach to the injection of money into agriculture, using no sense of a long term planning or security of programs — just reckless, throwing money at the situation without dealing with the real problem. A political solution, not the solution that we need.

We see a government pushing a free trade deal with the United States that will completely eviscerate our system of orderly marketing. Some concern, I say, Mr. Chairman — some concern. I think the real concern of this government is for power and personal prosperity.

Some Hon. Members: — Hear, hear!

Mr. Upshall: — Mr. Chairman, this Bill is needed now as much as it was in 1944 because we have a number of similarities between then and now. Farmers put into the position of hopeless surrender; lives and livelihoods obliterated overnight from the lack of real concern for the social fabric of this province. We see a mood where monetary gain and power supersedes people, Mr. Chairman, and that is very, very wrong. In my books, people, farm families, and the dignity of rural people come first, long before manipulation of assets and commodities.

Mr. Chairman, farmers need the security and protection from all these unnatural forces that they are subjected to today. Farmers need to know that they will have a place to live and a role to play in Saskatchewan. Farm security is the foundation on which lies our whole rural infrastructure. And, Mr. Chairman, this legislature has to review on an ongoing basis the security given to maintain that way of life.

Now, Mr. Chairman, I would like to ask the minister if he knows, or if his officials know, how many farmers made use of the provisions and protections offered by The Farm Security Act in, let's say, 1986, or for some similar period of time.

Hon. Mr. Andrew: — While they're getting that information, I could perhaps respond to the couple of points made by the hon. member. First of all, the member raises: why is the Minister of Justice dealing with this in Committee of the Whole and not the Premier, Minister of Agriculture. The simple answer to that is that this particular Bill, as a number of other Bills, falls within the jurisdiction and the purview of the Department of Justice and the Minister of Justice. And therefore, when you're responsible for a particular Bill, then that's usually the minister that carries it before the House. That's point

number one.

Point number two, the Premier who is also the Minister of Agriculture, is today meeting with his colleagues from across the country, including the federal Minister of Agriculture, at a national agriculture meeting dealing with some of the very questions that the hon. member raised.

Now you talk about a faction of right wing organizations. Well I can assure the hon. member that the involvement by our province, and certainly by the national government, in a variety of international dimensions to try to come to grips with the whole question of the farm problem that is now rampant throughout the world, one of the groups is the group called the Fair Traders or the Cairns' Group.

I've had the opportunity as Minister of Trade to attend both meetings of the Cairns' Group. Now the Canadians are the lead spokesmen of that Cairns' Group. And let me set out the left-wing group that are involved in this Cairns' Group: (1) government of Bob Hawkes of Australia, socialists; Government of New Zealand, which is a socialist government; Government of Canada that's not a socialist government, and we're very happy about that; the Government of Hungary — I don't think you'd class them as right-wingers, or at least the last read I had as Hungary was not a right-wing state; the government of the Philippines of Corazon Aquino — I don't think many people would class Corazon Aquino as the ultra right wing.

Now there's clearly the countries of Thailand. You might say Thailand is a right wing country or Malaysia is a right wing country. There are three countries of Latin America. And you can allocate what tag you want on those of Argentina, Brazil, and Chile. And the people were not chosen as to whether they were left or right. The people of that particular group, that Cairns' Group, were chosen as representing both the East and the West and the South and the North, and the developed countries and the developing countries, or the underdeveloped countries. And that's how that group was brought together, and I think to the credit were brought together by the governments of both Australia and of Canada.

Now the member makes light that we have done nothing with regards to the international problem. Well for the first time ever in history, agriculture is on the agenda — agriculture in dealing in grains — is on the agenda of GATT (General Agreement on Tariffs and Trade). It was put on GATT at the Uruguay round last fall.

And today the two significant issues being dealt with in Geneva by GATT are (1) trade and agriculture in grains, and (2) the trade in services. Those are the two key areas that are being dealt with. Most recently, at the Venice summit, you saw some movement to try to come to grips with that problem of the large, major trading countries, being United States, B.C., and Japan.

You go back to the Canadian dimension of taking that particular agenda, first of all to the Tokyo summit last spring, or last summer, followed up by a variety of international meetings, including the fairly significant

breakthrough by most people of the most recent OECD (Organization for Economic Co-operation and Development) meeting where the OECD countries agreed to move off of the support programs, that tended to encourage production, and move into support programs that tended to stabilize the farmer — something that our Premier's been talking about for some time, and certainly the Government of Canada's been talking about for some time, and certainly the Government of Canada's been talking about for some time, and certainly the focus and purpose of the Cairns' Group have been talking about for some times. So I think that is progress.

Now in an event of agriculture, clearly it's easy for somebody to stand up in your place and simply say you're doing this, this, this, and this wrong, and you offer not so much as any idea how you deal with the international question.

Now to get to the specific question you asked about how many . . . I'm advised that, in response to your last question, is that all farmers in Saskatchewan have the benefit of this particular legislation. So how many have relied on this particular legislation, I suppose one could argue that virtually every farmer that is out there farming in some way, directly or indirectly, relies on this particular piece of legislation.

Mr. Upshall: — Actually my question, Mr. Minister, was how many made use of this legislation, this protection offered by them?

Hon. Mr. Andrew: — Well it would be perhaps somewhat difficult for me to say how many took, or made use of it, in the sense that, in a way that they perhaps were negotiating with their particular financial institution; or what do you mean specifically as how many took advantage of it?

(1445)

Mr. Upshall: — I'm surprised, Mr. Minister, that in these times of financial crisis that you wouldn't be monitoring that situation and finding out exactly what this Bill is doing for how many farmers. If this Bill isn't . . . If nobody uses the provisions of this Bill, then maybe the Bill isn't any good.

So I would just like to say that, I would just want to know — I mean, surely you're on top of the situation — how many farmers used the provisions of the Act — and there are a number of them — to get protection from foreclosure, or their home quarter . . . losing their home quarter?

Hon. Mr. Andrew: — Well I think the hon. member indicated in his earlier statements that (a) you supported this. I think I indicated on introduction and second reading of this particular piece of legislation, as the legislation has been in place for some 40, almost 40-odd years now — better than 40 years. I think it was introduced in 1944, there was, I think, a three-year sunset clause to it, and that has been "sunsetting" every three years since 1944. It runs its course out again, I think, back at July 1 of this year, 1987. and what we were proposing to do with this particular legislation is extend it on indefinitely so

that we wouldn't have to simply come back into this particular legislature.

Now does this particular Act, and is this particular Act the backbone of any prevention of foreclosures? Probably the answer is: probably not as much it was back in 1944.

The second part of this particular legislation deals with . . . on seizure of crop you cannot seize beyond . . . you cannot seize more than one-third of the particular crop. Now how much of that is used in the new way by which foreclosures are done or that type of thing? I would guess probably not near as relevant as it was perhaps 20 years ago.

With regard to the home quarter, the home quarter is not, as you know, under this particular legislation. It's not that every home quarter is going to be prevented from being seized, if, as you understand how this particular legislation was.

Mr. Upshall: — Yes, I'm a bit disappointed, and obviously the minister doesn't know how many farmers used this Act to retain a decent crop share, or how many of them made use of the Act to protect them from foreclosures on homestead. And I would've liked to know if your department . . . I would like to think that the department's a little more on top of things than that.

But in any respect, I will go on to something you'd mentioned about the timing of the Act. It appears to me as though section 7 of The Farm Security Act at present is not in force because you allowed the time to run out. I don't know why you could not have stirred yourself into action before that happened. And I should add that it looks as if section 5 of the Bill will be retroactive to cover this present period.

But I would like your assurance, Mr. Minister, that there will not be any gap or any period of time not covered by the Act because of the inability of your government to get a very short, one page Bill prepared.

Hon. Mr. Andrew: — I am advised by officials that while we would not want to delay this unduly into August of September or something like this, but that the retroactive nature of it, the fact that it has been retroactive for a couple of weeks, there should be no problem with it at all.

If it was to drag on for some period of time, intervening court actions, there could be problems. But that's why we're trying to move this Bill forward sooner. I think when this particular act comes before the Assembly in the committee stage, it's clearly a decision of the House Leader, and it is before the House as the first major Bill before the House going through detail by detail.

Mr. Upshall: — You indicated that there should be no problem. I would like a little more assurance than that. Could you just state that there would be no problem with this Act being retroactive back to July 1?

Hon. Mr. Andrew: — The hon. member should know that you never usually get those kind of commitments out of an Attorney General and certainly out of the Justice department, or out of lawyers being involved in it one

way or the other.

Mr. Upshall: — So then you're saying that there's a possibility that if someone had a problem in the period after the last Act terminated, that they would not have any protection by that Act?

Hon. Mr. Andrew: — No. If the hon. member is familiar with the way the process works, it's not likely that one is into the pleadings and into the court process, etc., in a period of two weeks' time. Usually it's dragged out over a far longer period of time than that.

I asked the question of the particular officials in the Department of Justice. They indicated to me that they saw no problem with the gap in there, as long as that gap did not start to range into a month, six weeks, eight weeks, something like that.

Mr. Upshall: — Well it's not the process that I'm as worried about, as the farmers out there who may not have the protection that they need to continue their livelihood. So without a firm commitment, I guess there's really not much I can do except ask the minister again, that if there's any cases that do come forth, that create a problem, will you personally ensure that they will be looked after in a manner in which this Act lays out?

Hon. Mr. Andrew: — Well I can only indicate to the hon. member what I've indicated before, that we would not see a problem develop. I suppose there's . . . whenever you're involving the courts, or the law, or lawyers, they get paid for trying to find exception. And I expect that we're not going to see a problem.

Mr. Goodale: — Yes, Mr. Speaker, or Mr. Chairman, a couple of questions for the minister. It's been, of course, a long time since this original legislation was passed in the province of Saskatchewan, and I wonder if the minister could tell me if any of the references in the legislation to lender or mortgagee, if those references would apply, or could apply, hypothetically, to more modern lending agencies that have come along since the legislation was originally passed? I'm thinking specifically of government lending agencies such as the Saskatchewan Agriculture Credit Corporation. Would it be covered by this legislation?

Hon. Mr. Andrew: — In the classic forum of the Department of Justice, they indicate that they believe that most of the type of documents that agricultural credit corporation, the one, specifically you referred to, would fall within this, although there is a grey area as to whether or not this in fact binds the Crown or does not bind the Crown.

I don't think that has been . . . apparently has not been tested, and there has been provincial financial institutions for some period of time that have not been tested in the courts and there is jurisprudence on it. certainly it would not, as I understand the law, bind the Farm Credit Corporation which would be a far larger institution because of the jurisdiction question between federal and provincial.

Mr. Goodale: — Mr. Minister, I thank you for that answer,

and it's that very problem that was the reason for my asking the question.

Earlier this year, I'm sure you are aware, there was a court ruling in the province of Saskatchewan that specifically said that the Agricultural Credit Corporation of Saskatchewan was not bound by the Saskatchewan Exemption Act. And that has presented a number of difficulties for farmers already in severe financial distress.

I wonder if it would be possible, Mr. Minister, to: number one, clarify the point with respect to this legislation insofar as that is within the jurisdiction of the province of Saskatchewan; and secondly, could I ask you to venture an opinion as to whether the government might be coming forward with legislation to make it clear that the Saskatchewan Agricultural Credit Corporation is, in fact, bound by The Exemption Act and not escaping the reasonable rules of that legislation?

Hon. Mr. Andrew: — Well let me suffice it to say the following: that this particular legislation is being brought forward now because of the expiry date of June 30. The intent of the government is to look at this particular type of legislation and perhaps try to co-ordinate it all together, perhaps into more meaningful legislation.

If you pick this and the various other pieces of legislation that would assist farmers to prevent foreclosures that become too routine and too easy, whether it's the Land Contracts (Actions) Act, Limitation of Civil Rights Act, Farm Land Security Act, The Farm Security Act — there's a whole host of them. It would be our hope to try to consolidate those where possible. But as you can appreciate, the job of consolidating all of those Acts becomes a rather long job and one that should not be taken lightly, so that you do not in fact end up creating yourselves more problems than you've sought to solve.

So in answer to the hon. member's question, I think it would be our intention to come forward with further agriculture legislation designed with a view to assist the farmer, and certainly the farmer being faced with financial pressures, at this point in time. This legislation could quite easily in the future be swallowed up by a more all-encompassing Bill.

And the reason we're doing this today is to catch that particular group that would fall under this legislation so they don't get into the situation the hon. member from Humboldt referred to, and that is a gap measure in there prior to that legislation being brought forward.

My personal view is that I think that the legislation that has developed in this province, perhaps since the '30s, very often what governments do is we simply bring in another particular legislation. We make a lot of changes to it, and sometimes don't sit back and rethink it . . . and rethink the situation for the mid-1980s as opposed to what the situation was, maybe in the early '70s, when farms were on some difficult times, or back into the various cycles through history.

So I think that there probably needs to be, and we are at this point in time looking very, very seriously at that within our department, within the Department of

Agriculture, as to what that might be.

Mr. Goodale: — Just one final question, Mr. Chairman, on that point. I'm pleased to hear that that broader review may be taking place. And it does appear that as these successive pieces of legislation have flowed through the legislature over the last number of years, that one of the holes that has developed has in fact been the case where a farmer is dealing with a government lending agency, whether that be federal or provincial, and some of the normal protections that might apply if he were dealing with a private sector lending institution are not available because he is dealing with a government agency or one kind or another, as we found out this spring, most graphically, in the case of the Agriculture Credit Corporation of Saskatchewan vis-a-vis The Exemptions Act.

And I wonder if the minister could give us his assurance that as that broader review takes place, that he and his officials will have a particular eye out for that kind of omission that could end up treating some farmers in particularly distressful circumstances, in a rather unfair manner.

Hon. Mr. Andrew: — I think that's clearly something we're looking at. And I think historically if one was to look at it, one was always to the view that the banks were — and the financial institutions, banks, credit unions, etc. — would take a hard line with people; that if it was a government department, whether it's the ag credit corporation or farm credit corporation, whichever, was a benevolent lender. And perhaps, you know, and I would say in a few cases, but there's probably cases where maybe the farmer looks at the so-called benevolent lender in a different light than he might in some other one.

(1500)

And as a result, I think that over a period of time, maybe rules have sort of developed up . . . whether rules or traditions have developed up to raise that exact point. And I think if we are to say aye to something like ag credit corporation or to farm credit even, if you are going to be in the business of lending money, then you are expected by your particular people you're responsible to, whether it's the legislature of Saskatchewan or Parliament of Canada, to do things in a proper and prudent and business-like way, then you should also follow the same rules that other people, and the same protections should be provided against you that the others would have.

Now clearly that's something that we are looking at it. I take your point very seriously. I think it's a legitimate point to be raised, and it's something that we will pursue. As to the farm credit corporation, as you can appreciate, there's a jurisdictional problem there which makes it somewhat more difficult.

The House amendment, if I could perhaps read it, it comes at clause 3 . . . section 3, sorry.

Clause 1 agreed to.

Clause 2 agreed to.

Clause 3

Mr. Chairman: — There's a proposed House amendment to section 3 of the printed Bill:

Amend clause 3(b) of the printed Bill by striking out "further".

Mr. Upshall: — No, Mr. Chairman, I was on my feet before . . .

Mr. Minister, if bill 11 is passed with this section, The Farm Security Act will no longer be extended for a three-year period, but rather will be enforced indefinitely.

As I understand it, Mr. Minister, one of the reasons the three-year renewal provision was in place was specifically to bring the Act before the legislators of the province regularly so they could review and see if any alterations were required. Do you not see any merit in the regular review of this Act?

Hon. Mr. Andrew: — No, I . . . I mean, we debated within our caucus with regards to whether it should be three years or whether it should be one year or whether it should be for an indefinite period of time. And as I indicated to the hon. member from Assiniboia, that's what we're attempting to do now is to try to consolidate many of these particular pieces of legislation found in a variety of Acts together.

So what we felt that we would do is prolong this one so that you don't end up having to keep one going at a date of December 31; another one is dated July 1; another one might be dated August 31. So there's a whole different series of these things. So I think what we will try to do is get it on to one path.

I have no objection to having legislation that comes periodically before this Assembly for reassessment. Quite frankly, I would tend to subscribe to the idea of sunset legislation. This is designed only to fit it into the category to buy that time.

I don't think that anybody is going to . . . I think any new legislation is going to have a dimension of the homestead to it. All right. So from that point of view I think you're going to see the type of stuff that you see in this particular Bill, in any subsequent Bill brought forward by this government or any other government across the country.

Mr. Upshall: — Well, Mr. Minister, as you know, from time to time federal legislation applying to the banks or federal government agencies that rate mortgages will change, interest rates change; lending institutions will change their policies or practices. And of course commodity prices fluctuate and they go into extended trends, and that drastically alters the circumstances.

And I would just wish and hope that this is an important enough issue to have it come back time after . . . every three years or as it has been, and for the purpose solely of ensuring that the Act is doing what it set out to do. And I would take it then that that process will be encompassed by whatever legislation comes in, that there'll be a periodical review so that this whole body can oversee it

and ensure that the Act is working properly, and that that would not be a waste of time.

Hon. Mr. Andrew: — I'm not going to prejudge now the way the legislation will go, whether it will come back every year or two years or three years or how it will be. I can simply say this, is that I have been in this legislature now nine years, and I can assure you that if you are a member of the legislature in a province like Saskatchewan, you're going to deal with agriculture questions on a yearly basis.

And if it's this year's and the last few years has been the farm debt question or the low commodity prices question, then clearly that's what it's going to be. Another year it might have been high interest rates, and that was the question that we faced.

So while the issues in agriculture constantly change, usually in this legislature there's been a . . . there perhaps has been a marked absence by not seeing any questions in this session on agriculture. But as a general course, agriculture tends to have a fair degree of presence in the legislature of this particular province.

So I think that you're always going to see farm programs being reviewed in this legislature. It has for nine years, as I indicated. So whether it will be three years in the new legislation, I would not wish to be tied down to that. But certainly to review legislation of agriculture, I think it almost goes without saying that it should be.

Clause 3 as amended agreed to.

Clause 4

Mr. Upshall: — Yes, thank you, Mr. Chairman. Mr. Minister, can you or the officials of your department indicate just how common it is for a mortgage on farm land to include an exemption which would have the effect of rendering section 7 of the Act useless?

Hon. Mr. Andrew: — Perhaps the hon. member could clarify this. Section 4 that we're on . . . dealing with. Section 7(11) is simply the date of June 30, or July 1, 1987, that the Bill ran out. That's what that particular section involves.

Mr. Upshall: — Yes, well thank you, Mr. Minister. I think that the department should be concerned about the way there's routine exemptions made under section 7, the whole section. And I would like to think that there's going to be . . . there should be some provision to have that exemption process curtailed as a good many farmers are being hurt by it. And therefore, Mr. Chairman, I'm going to move, seconded by the member from Regina North East, an amendment:

That section 4 of the printed Bill be deleted, and the following be substituted:

Subsection 7(9) is repealed.

Subsection 7(11) is repealed, and the following substituted:

That every agreement or bargain — verbal or written, expressed or implied — that the provisions of this section do not apply, or that any right provided by this section does not apply, or which in any way limits, modifies, abrogates or, in effect limits, modifies, or abrogates, any such right is void.

An Hon. Member: — Could the hon. member explain what his amendment is about?

Mr. Upshall: — Explain it, sure, certainly.

This amendment would repeal section 7(9), and repeal section 7(11), and substitute the statement that I read. Okay/ Which basically says that nothing can be signed away by the farmer — signed away, written or verbally — that would exempt that section of the Act from doing the job that it was intended to do, and that is to maintain the home quarter for the farmer to live on.

Hon. Mr. Andrew: — Just so I get it straight. What you're saying is that no foreclosure could take place on any home quarter. Is that what you're saying?

Mr. Upshall: — That's right, Mr. Minister. And that is a very important aspect on these times that we're having that we have some security on that home quarter. As I said before, these things change from time to time, but right now that security is very, very important.

Hon. Mr. Andrew: — I would raise and caution this particular point to the hon. member, with his amendment, is that the second largest financial institution in Saskatchewan farm debt is the credit union movement. Is the hon. member saying that any legislation . . . this particular legislation would prevent any action on any home quarter, as that security . . . in other words, would it take away the entire security of the home quarter? Is that what the hon. member is saying?

I would have a little difficulty with that. I think that it's too much of a blanket statement. I think that legitimately we can look at a situation where you say the home quarter — and the home quarter back in 1944 maybe involved the farm buildings and the home quarter — and that was a legitimate concern. Today the home quarter might be, in one particular farmer's case, that lives in town, for example, maybe he has a few buildings in town or on the farm. If you have intensive farming operations, your entire operation could be on a home quarter, which would mean that could not foreclose upon that particular property at all, and you would effectively destroy the security of those particular loans.

So I think that you should think through this particular amendment before you advocate it totally.

Mr. Upshall: — Yes, Mr. Chairman, I have given it considerable thought. What's happening now is that we're running into a situation where we're losing, daily, number of farmers because they don't have security of the home quarter. We can sit idly by and see that go on, and if we ever turn around this crisis that we're in, we can say, you know, turn it back. Because I know that

what you're saying is that it may dry up credit, and the farmers don't have the right to have that land as security.

But the point is, right now the way we're going, we're losing farmers in droves. And so right now we need that security of home quarter just to maintain that family unit on that home quarter.

And I move this amendment, because I believe it is simply not good enough for us to renew this statute if portions of it are no longer doing the job that they were originally intended to do.

When the CCF government passed The Farm Security Act in 1944, one of the most important sections of the Act was one which denied the company holding the mortgage the right to foreclose on a homestead. A homestead was defined as the quarter where the residents and buildings were located.

The Act was immediately very popular with farmers who had come through some pretty tough times, tough years, in the decade and a half prior to 1944. In many cases, all the significant assets of a farmer were pledged as collateral for the borrowing he had to do in the previous years, Mr. Chairman, there were more than a few examples of farm families being put off the land with just the belongings they could carry, because their mortgage payments were in arrears and the bank foreclosed.

Prior to the The Farm Security Act, foreclosure could often, and did, include a farm family's home, leaving them out on the road. The Farm Security Act put an end to that.

(1515)

But, Mr. Chairman, in the years between 1944 and today, the banks and mortgage companies have had their lawyers work out an end run to The Farm Security Act. The lenders simply require an exemption to be signed, and once that is done, the protection guaranteed to farmers under section 7 of the Act no longer apply to the mortgage.

Now, Mr. Minister, you may not regard this as a significant problem, but I do. Saskatchewan farmers pay more than \$452 million annually in interest on debt of more than \$5.2 billion. The level of interest payments amounts to about 15 per cent of farm expenses, by far the highest in Canada. More than 43,000 farmers have debt to be paid off, and many of them have had land pledged as security of it, and is not paid off.

With commodity prices being what they are, a good many farmers are in danger of losing their land. They are not getting the help and protection they need from the PC government in Ottawa and Regina, and let me give you a brief example.

The Farm Land Security Act has operated since January, 1985, and as of the end of June 1987 has handled 1,141 cases where the lenders wanted to foreclose on a family farm.

In 298 of those cases, the lender and farm family

negotiated some arrangement that put off, at least for the time being, the foreclosure. Well over 460 cases are not yet completed, which means some of them have dragged on for many months.

Of those, the farm land security board has managed to complete . . . the board wrote a report to the courts favourable to the farmer in 76 cases — only 76 cases — and in 1990 cases wrote a report favourable to the lender. eleven hundred and forty-one foreclosures, Mr. Minister. And your Farm Land Security Act manages . . . that recommended . . . the recommend that the farm family be protected on their land in only 76 cases, a small fraction of the number of people who are in trouble. That's a very poor performance.

And the counselling and assistance for farmers program is not much better. In the fiscal year '86-87, there were 1,095 applicants for farmers for loan guarantees that would keep them on the land. In the case of 345 of those farm families, no guarantee was forthcoming. In the remaining cases where a government guarantee was arranged, because it is not full 100 per cent dollar for dollar guarantee, the lenders are only offering to make loans on a fraction of the counselling and assistance program guarantees.

The federal farm debt review board is of little use to debt-ridden farmers. A foreclosure can be stalled for only 120 days under the federal Act, and no more. And the 120-day stay can only be used once every two years.

So clearly, Mr. Minister, we need some additional protection for farmers threatened with foreclosure. I call on all members of this Assembly who hold the interests of farmers above those of the banks to support this amendment.

Some Hon. Members: — Hear, hear!

Hon. Mr. Andrew: — Let me respond to the hon. member with regard to the exclusion of this particular section. Since 1982 to the present, there has been 14 applications under section 7 for exclusion of a mortgage at the point of commencement of foreclosure actions. Fourteen. Those 14 applications are included in the total applications. Of the 14 applications at the foreclosure stage, there was one application in 1982; in 1984 there were four such applications, with the nine remaining applications received from 1985 to the present.

Of the 14 applications, eight cases are still undecided and in the midst of negotiations among the lenders, the farmer, and the provincial mediation board. Two cases have been settled between the farmer and the lender with the board's assistance, one which the application from 1982 preserved for the farmer the full homestead, in one case, and the residence and the farm yard in the other case. Four applications have been granted, two of which have been subject to conditions preserving the farmer's residence, and two with the farmer agreeing to the exclusion order during the negotiations with the lender.

So, I think what the hon. member, while he might be talking about some other attack that he might take, in this particular Act since 1982 has involved 14 cases. So I

don't think it's the area that the particular individual is looking at for the protection that he talks about.

Amendment not agreed to, on division.

Clause 4 agreed to.

Clause 5 agreed to.

Mr. Chairman: — Order, order. Order. I'd ask the member for Regina Centre to be quiet when the chairman is reading the Bill.

The committee agreed to report the Bill as amended.

THIRD READINGS

Bill No. 11 — An Act to amend The Farm Security Act

Hon. Mr. Andrew: — Mr. Speaker, I move the amendments be now read a first and second time.

Motion agreed to.

Hon. Mr. Andrew: — Mr. Speaker, I move that the Bill be now read a third time and passed under its title, with the amendments. With leave as well.

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

COMMITTEE OF FINANCE

Consolidated Fund Budgetary Expenditure Environment and Public Safety Ordinary Expenditure — Vote 9

Item 1 (continued)

Mr. Trew: — Thank you, Mr. Chairman. Today I want to address an issue of importance to my constituency and, indeed, to all of Regina. That is the area of the dump, the present waste disposal area that Regina is using.

And my questions are largely dealing with the relationship between the dump and the aquifer. As the minister is no doubt aware, nearly 40 per cent of Regina's drinking water supply comes from the aquifer, part of which is underneath the present sanitary land fill site. And indeed there are . . . I think it goes beyond simply reports of leaching of chemicals. I think it's already been an established fact that these chemicals are indeed leaching into the aquifer. The question then become: how quickly and what is going to be done to stop the leaching of chemicals, and what can be done to guarantee the future of over 40 per cent of Regina's water system.

So without any further preliminary or preamble, I'd like to address the question to the Minister of Environment, and it is: what is your department's involvement with water testing, and particularly in regards to the chemical plume that is being emitted from the present dump?

Hon. Mr. Swan: — I could advise the hon. member that the city of Regina is doing a fairly major study on the land fill and the effects that that land fill will have on the

aquifer.

Our department is working with them, not in doing the study but in monitoring what the study is showing. So the study that's ongoing will be basically done by the city. We'll have access, I believe, to all of the results that the study will produce. But as a department we haven't been directly doing a study at this time.

(1530)

Mr. Trew: — How long has the testing been going on, Mr. Minister? I understand that there is some test wells there where you drilled some wells and take samples of water. I'd like to know how many wells there are and how long this testing has been going on.

Hon. Mr. Swan: — I'm advised that the city of Regina has done some monitoring of the site for many years. The current study has been about a six-month period, the exact number of wells I couldn't give you. Their study has a guide-line but our staff really are not aware of the exact figure. They likely have it at the office, but haven't got it at the top of their mind at this point.

Mr. Trew: — I was not given a great deal of information, Mr. Minister. How many years has the city been studying it? And I'm assuming that the city is reporting to your department all along, as the Department of Environment. And approximately how many wells — I won't hang you on whether it's 10 or 11 or 12 or 20 or 21 or 22 — but are we talking, you know, 3 wells, 6 wells, a dozen? So my question is, then, how long have the studies been going on? And approximately how many wells?

And what's . . . I'll throw in a third question in the interest of speeding it up. And that is: how often is a water sample taken from a well and tested? Is it once a month, once every week, that sort of thing?

Hon. Mr. Swan: — We just don't have the figures here for the number of wells. We could find it out and bring the answer in for the member. But we don't have it at this point.

This particular study has been approximately six months in duration. But prior studies go back many years. They list in here one study that goes back to 1981 — but there were studies even long before that, pretty well as long as the land fill has been in existence.

Mr. Trew: — In regards to the information, can I have that this evening or tomorrow?

Hon. Mr. Swan: — We can try to get it for this evening. You know, there's not very many minutes in between five and seven when you have something to eat. But we'll do our best to bring it back.

Mr. Trew: — Thank you. Mr. Minister, we've talked a little bit about the studies dating back, you say, to 1981 and, you suspect, even further back. Can you tell me how the studies are tied together? Or are they all free-standing studies — that somebody comes and looks at our water quality and the water problems from the dump for six months and then that study disappears? Or do you take

the results from one study and tie them in and build a case for building the problem and, indeed, hopefully building towards a solution to the problem at the dump?

Hon. Mr. Swan: — I believe that they would be tying the studies together. Like, they use the information that's been gathered in the past; they try and apply that and go on to do further studies and add any new information to the study so that past experience is not wasted, and yet new studies are needed because conditions do change. In a land fill area in particular, you will have changes as the area expands and as different waste products end up in a land fill site. So they add it all together and try and come up with today's scenario of what can and what cannot happen at a land fill site.

Mr. Trew: — Thank you. Can you tell me, Mr. Minister, what chemicals are leaching into the aquifer from the dump?

Hon. Mr. Swan: — I'm advised that at this point there is no indication that anything is actually arrived at the aquifer. There is a plume that they're concerned about, and they are studying that, but I don't believe that it has gone to the point of contaminating the aquifer at this point — not in any information we are able to gather. That plume is deeper than what normal leaching has been, but I don't believe it has reached the aquifer yet.

Mr. Trew: — Which chemicals are in the plume, and how deep and how extended is that plume? But specifically, which are the chemicals that you are finding in the present plume that is expanding, every hour and every day, from the Regina Dump?

Hon. Mr. Swan: — Since this study is being done by the city, it's difficult for us to give you the information you are asking for. It might be better if you asked the city. I am advised that the one plume is probably not too far from the upper aquifer, but when it's actually in it or not, we don't know.

One of the chemicals is chloride. They said it was chlorine rather, or chlorides. It's only one of many, like in a land fill area there are many things dumped. It's very hard to isolate and say it was any one given chemical.

Mr. Trew: — So it's safe. What I'm hearing you saying, Mr. Minister, is that whatever gets dumped in the Regina dump, it's reasonable to assume that ultimately some of that is going to be included in the chemical plume and is going to be leaching?

I'm glad that we've got that agreement. I wish that the plume was not there; indeed, I wish that the dump had been at a more environmentally safe site, as I'm sure you wish the same and so does the city. But we have an established problem. Can you tell me how quickly the plume is spreading, either in a year-to-year or month-to-month basis? How great an area does that chemical plume cover now?

Hon. Mr. Swan: — I believe that we'll have to wait until the study is far enough along to have that kind of information. It's being studied, but to this point we haven't been able to arrive at any given area that was

covered by the plume. The plume would start from the top and taper down to a narrower point at the bottom. But just how much, we're not sure.

Mr. Trew: — So we've had studies going on since at least 1981 and likely before that. And we have no idea of how large an area this plume covers and extends out from the dump site itself? Is that what you're telling me?

Hon. Mr. Swan: — Well the plume that you refer to has only recently been identified. That's the concern that caused the city of Regina to move into the study that they're now doing. Prior to that time, I don't believe there was a plume, so it just fairly new on the horizon. It was spotted by a consultant, and they're now doing a fairly major study to come up with an area and the dangers that the plume is going to have for the aquifer. That would be for the A zone, not the . . . it won't go down through to the second one.

Mr. Trew: — Well, Mr. Minister, I'm told, and I have read, that there is now a great deal of doubt as to whether the two layers of aquifer are indeed separate. In fact, there is increasing evidence that they are not as well separated as previously thought. So, indeed that once the top aquifer becomes contaminated, it's only a matter of time until it finds its way into the second aquifer. Of course the volumes of contaminants are going to greatly affect this.

But I'd suggest that after six years of study, it's time we had a handle on it, and it's time we knew just how bad the problem is and how we're going to cope with it. My question is: have you contemplated stopping this, you know, containing this chemical plume? Have you contemplated that in any way?

Hon. Mr. Swan: — The member indicates that this has been a problem for six years. That's not the case. I indicated to you that the problem was identified, and that's six months ago. And that's when the current study was undertaken.

So as soon as the city was aware of the plume, then they started to address it. And until the study is well advanced, it would be very difficult to put in place a method of dealing with it. You have to know what the soil is made up of in the area where the plume is occurring, what depth the plume is reaching, what chemicals you're dealing with — then we'll start to assess and recommend something that will have to be undertaken. But we couldn't do that at this time.

Mr. Trew: — Mr. Minister, when did you find out that there was indeed a chemical plume there?

Hon. Mr. Swan: — We had indications of it from the city about the time that the study was beginning; that was the reason that the study was begun. So, probably like you and many others, our department received considerable new information at the time of the public meeting that was held about, what, five, six weeks back.

(1545)

Mr. Trew: — Have you gotten around to considering the potential impact on the city's water supply of this

chemical plume? And do you have a contingency plan for our water supply if indeed this . . . If it's just been six months that this chemical plume has developed, I would suggest to you, sir, it is moving very, very fast, very rapidly. I think it's a bit of a misnomer for you and I to argue that the plume has only been there six months; it may have only been confirmed six months ago, but indeed the plume has been there much longer than that.

My question, though, still relates to the city water supply. Have you a contingency plan if 40 per cent of our water gets polluted very quickly?

Hon. Mr. Swan: — It's primarily a city responsibility. It's a city dump, and a city responsibility. So a contingency plan to find available water for the city of Regina would not be for my department to do, but rather for the city.

The study that was begun six months ago was what identified that there was a plume. Prior to that the plume may have been there; we don't know. You know there are many things that happen underground that you don't see, and especially in a land fill area.

So the study is new. The study is addressing the concern of that plume, and as soon as we're far enough along with that study, or the city is far enough along that we can get enough detailed information to make some decisions, we'll start to make those decisions. But to start to try and make the decisions of how to remedy it at this time would be premature.

Mr. Solomon: — Some additional questions, Mr. Chairman, to the minister with respect to the water situation in Regina, I'd like to put to him this afternoon: (a) have your department officials or have you yourself kept up with the land fill site issue to date?

Hon. Mr. Swan: — I would say, yes, my department have been keeping up with it and the information that's available; yes, I've been keeping up to it.

Mr. Solomon: — Were you or your officials at the public meeting on June 11 which discussed the new options for site selection for the land fill site as well as discussing some of the issues that were raised with respect to the plume of leachet?

Hon. Mr. Swan: — From the department we had a group of our people at the meeting.

Mr. Solomon: — In that case, Mr. Minister, you must know that as a result of that meeting the consultants put forward, the officials there, the contention that both the Regina aquifer and the Condie aquifer are not, in effect, two separate aquifers protected by barriers. But, in fact, the contention they put forward is that they are connected directly, and that the contamination of one aquifer will seriously lead to the contamination of the other in fairly short order.

With that information now put forward, if you weren't aware of it, can you tell this Assembly specifically what your department plans to do with regard to a contingency plan if this system polluted?

Hon. Mr. Swan: — I believe there is a suspicion that the two aquifers are very closely tied and may indeed be one, but I don't believe that that has been confirmed by the consultant. It's a suspicion he has, but I don't think he's confirmed it.

And I believe the position is the same as I gave the hon. member behind you, the member for Regina North, that for us to move now to put in place a contingency plan to deal with that or to provide other water sources would be wrong. You should at least know what the problem is before you try and put in methods of dealing with it. If the city sees it seriously, and that there is need for a different source of water, that is the city's responsibility, not the Department of Environment.

Mr. Solomon: — You indicated to the member from Regina North earlier that you are not aware of the plume of leachet reaching the water supply to date. Do your officials know — do they have any projection as to when this may happen — that the leachet would reach the first water supply?

Hon. Mr. Swan: — It's still part of the ongoing study. No, the decision of how long that may take to occur has not been made at this point.

Mr. Solomon: — The officials do not have any projected guess — doesn't have to be calculated in a scientific fashion — but would they not know whether it would reach this water source within a week, a month, five years, 10 years?

Hon. Mr. Swan: — No, they advised me they don't have that information as yet.

Mr. Solomon: — When will they have the information, Mr. Minister?

Hon. Mr. Swan: — That's part of what the study is supposed to give us, is the information that would indicate the speed at which that plume is progressing towards the aquifer. We don't have the exact depth of the plume or the length of time that the plume will take to continue on down till it reaches the aquifer.

Mr. Solomon: — When is the study supposed to be completed?

Hon. Mr. Swan: — Well, as you know, this study is done entirely by the city. The information that we get would be very similar to what you would get from the city. The indications are that there would be at least an additional six months to complete the work, and then possibly two to three months to write the report following that, so we'd be looking at nine months, probably, or a little more, before the study would be available.

Mr. Solomon: — Would your officials provide some assurance, or some assurance to this House, whether the safety of those wells will be there for the next nine months?

Hon. Mr. Swan: — I think it would be very difficult for the department to give any assurances. But based on what the city is telling us, it appears that there's no immediate

problem. The city is not indicating, at this time even, that they intend to move to a new location for the landfill, which again must indicate that they're not greatly concerned. They are somewhat concerned, but not greatly concerned, about the plume that has been located at this time.

Mr. Solomon: — Will the minister give us his assurance that the Department of Environment officials will work in co-operation with the city of Regina with respect to a contingency plan if the water supply is irrevocably polluted?

Hon. Mr. Swan: — My department has been working with the city in a consultative process back and forth since the time that this first study began. If there were a need for a contingency plan for water supply, then my department would likely work to some extent to assure that any new water supply would be suitable for human consumption.

But it's more liable to be the water corporation that would work with them to make it available. So it wouldn't be the Department of Environment as much as water.

Mr. Solomon: — It's becoming better and better known throughout the city of Regina and Saskatoon and other urban areas that a caucus meeting that was held post-October 20 election of '86, of your caucus, concluded a strategy which would punish urban voters for having voted NDP in the last election.

What has happened, we have seen in our budget debates and so on, with the retraction of budget commitments, retraction of election promises to urban areas that elected NDP MLAs, and we have seen retractions in the tune of tens of millions of dollars of commitment.

With respect to the water supply, Mr. Minister, this city we're sitting on right now is the capital city of our province. It is one of the ten provincial capitals in the entire country. In a capital city, a provincial government, by definition, expends a few extra dollars to provide things like funding for transportation, funding for parks, and funding for other amenities which will attract tourists, which will attract people to the capital from outside the province and from within, and also to provide funding for basic services that can be enhanced to the point where Saskatchewan residents can be proud of the capital city.

If this water supply is polluted, that we're talking about — the well supply under the city land fill site — will you work as a minister to ensure that the capital city of our province receives some funding for an alternate water supply?

Hon. Mr. Swan: — The Department of Environment does not fund most things. The member started off by making some fairly wild statements in this respect. He said them quietly, but he was certainly a long way off base.

Now far be it from me to say that because they have NDP MLAs that we need to punish the cities. I think that's enough punishment in itself.

Some Hon. Members: — Hear, hear!

Hon. Mr. Swan: — We'll be working very closely with the city to see that the city is looked after and that the residents of this city are looked after. And, you know, I have a home here in this city. Many of our members do. I think we're all concerned that the City of Regina and its residents have good water, and we'll continue to look at and deal with that subject as the question becomes more serious on the horizon in the future.

Mr. Solomon: — Mr. Minister, as you indicated that we were off-base with respect to what we we're trying to do in terms of speak up for the people who we represent. You intimated that we were off-base because we, as MLAs from Regina and other urban areas, are speaking out for constituents that we all represent collectively.

I'd just like to tell you that the city of Regina has never suffered any government like its suffering now with the provincial government. And as a member of the constituency for Regina North West, I am quite indignant about the fact that this government has taken a specific course to punish urban voters, whether it's in Regina or Saskatoon or Moose Jaw. I think that that is a very severe course to take by any government.

A government should be working to unite the people, not to divide people. We all agree on that, except there seems to be a problem with respect to your government, because some of you on that side may agree with that contention, but your actions clearly show the opposite.

The city of Regina, Mr. Minister, is spending about \$29 million upgrading it's Buffalo Pound project, upgrading it's water supply. Has the department talked to any of the city officials and conducted any studies, or are aware of any studies the city's conducted with respect to this project?

Hon. Mr. Swan: — The member continues to use the rhetoric that we're not interested in the cities. I don't know how many elections, but I think probably four elections, that the now leader of the Opposition promised the city of Regina that they were going to do something for the city's water supply, and nothing was done.

(1600)

We came into power in 1982, and during our first term of office dealt with the city's water supply, spent considerable numbers of dollars to improve the quality of water, and every time I take a drink out of the tap in my home, I say, thanks very much for the change, because the water was not really fit for human consumption prior. So that concern, I think, is only in the members mind, and it's not really factual as far as it deals with life in the cities today.

As it relates to the new proposed project that the city is now talking about, my department has a person who is allowed to sit in as an observer on the meetings of the committee that are in process and who are discussing that project. So we keep very close to it, we know what the discussions are, and the department has co-operated up to this point to try and do what they can.

Mr. Solomon: — Does that co-operation extend, Mr. Minister, to working with your colleagues on the government side to provide some funding assistance to the capital city's water project?

Hon. Mr. Swan: — To the best of my ability, funding has not been a question at this point. They aren't far enough in their study to even begin to ask for funding. And when it does come forward it wouldn't come to this department.

Mr. Solomon: — When the city raises the question of funding, the \$29 million cost, will the minister give us his assurance that he will do what he can to work with his colleagues to provide some funding for the \$29 million cost, approximately, for a water supply, enhanced water supply, for the capital city of our province?

Hon. Mr. Swan: — I can't deal with hypothetical issues. The cost of this proposed project, or initial discussions on a project, are very tentative costs. You have no idea yet of what the costs may be, because the decision on what direction the city wants to go are not final. So until we reach that point, to put any figure on it is really not a realistic approach.

When the time comes that the real costs are determined, then the appropriate departments can take a look at it, but at this point we aren't along the way far enough to make that kind of choices.

Mr. Solomon: — So you're telling us this afternoon that if the capital city of Saskatchewan undertakes a water project, a water supply project for its residents and for people who visit here, including MLAs from outside the city that work here, that you will not give any assurance to us that you will talk to your colleagues and do the politicking that's necessary to assist the city of Regina in its requests for funding, assistance in funding for this project. Is that what you're telling us today?

Hon. Mr. Swan: — I'm trying to tell the hon. member something, but I don't think he's listening. I'm telling you that there is no indication at this time of what the cost may be. I'm also telling you that the Department of Environment is not a funding agency. So if there is funding needed it will have to come from other departments of government.

When the request comes forward from the city for a given project and an approximate price is projected and a time frame is projected, that's the time that the governments generally look to see what kind of financial assistance should be provided. We're not at that stage at this time. So the comments that the member makes about us not being willing are not very realistic. You can't be willing until there is a project to discuss. Hypothetical projects, we can't deal with.

Mr. Solomon: — Well this hypothetical project, as the minister says, and I quote, "hypothetical project," is not a hypothetical project. I was informed that the project will cost in the vicinity of \$29 million, plus or minus a couple of million. And that's not a hypothetical figure. That's the cost of the project.

I will be asking not only the Minister of Environment, but I

will be asking all the other ministers of the Crown the same question: will you give this Assembly, will you give the people of Regina and the citizens of this province, your assurance that you're interested in funding the project in some fashion on a cost-sharing basis; that you will work and discuss this issue with your colleagues in cabinet and caucus to obtain their support for the project, or will you not? Simple question.

Hon. Mr. Swan: — I can guarantee to the hon. member that every issue that comes forward that deals with the needs of people gets a good hearing, gets good consideration, and will get fair treatment when it comes forward to my colleagues and I for decision. But at this time it's not there.

Mr. Solomon: — Well the minister has indicated that we're off-base again; that during previous scenarios and election campaigns that the NDP has promised a guaranteed water supply for the city of Regina. I might add that, Mr. Minister, in 1982 we promised, if we were elected, to provide the capital city of Regina with an adequate and safe water supply.

What we've seen with this government since 1982 is a government that has been directly responsible for water rationing, that has been responsible for possibly . . . not responsible for, but we have a water supply now that is possibly being contaminated — 40 per cent of our water supply. This is the legacy you leave us in this province.

And finally, I asked the minister whether he's going to give us some assurance that he'll work with his colleagues to try and provide some funding program to the residents of the capital city of this province so we've got a decent water supply. And now he refuses to give us the assurance that he'll work with his colleagues.

Well I think the people in this city, Mr. Minister, are going to be quite upset with that response; in particular in my constituency where we have a fair number of people who are very concerned about the health quality of our water supply.

So I ask the minister whether or not he will recant and give his assurance to this House that he will speak with his colleagues and try to provide some funding assistance to the city of Regina for this major water supply project.

Hon. Mr. Swan: — Well the hon. member is again making statements that he could have a lot of difficulty supporting in fact. You promised, I believe as early as 1971, that you were going to do something with Regina's water; then in '75 and '78 and in '82. But it was promised by this government in 1982 and delivered during the very first term that the water quality for the city of Regina has been greatly improved, and at considerable cost to the provincial government, considerable cost to the city, and considerable cost to the federal government.

I think our track record speaks for itself when we come to dealing with the city of Regina and its need for water. When they had a problem, we addressed the problem.

The question that you now raise is not really far enough advanced to say that we even have a proposal from the

city. It's in discussion stages, yes. But there is nothing finalized by the city as to what they would want. So for you to come forward today and say: will you guarantee that you'll put money in? I believe that any government that would operate on that base would be very foolish. You begin to make decisions when you have very factual requests and information before you as a government and as a cabinet. When that day comes, I can assure you that this government and this cabinet are going to take a very serious look at the needs of the City of Regina. And our track record has shown that we have responded to the needs of this city and any other community around the province when the time is right.

Mr. Solomon: — Mr. Minister, what I am hearing is that if indeed what has been discovered recently, that the Regina aquifer and the Condie aquifer are not two distinct water sources or stratus, but in fact there is no separation between the two, and that if this plume of leachets infiltrates and pollutes one, it'll pollute both, your department has not put together a contingency plan in co-operation of the city of Regina; your government is not committed to providing any assistance with respect to funding an enhanced water supply as it stands right now, can you please tell me what your department will do? Will you put together a contingency plan, and when will it be ready for us to review? Will it be during the course of these estimates, for example?

Hon. Mr. Swan: — The member keeps coming back to the idea that there's one aquifer. That's not really the case. It's a case of two aquifers. There's some indication that water can get from one to the other the normal process of ground water moving. And at this point as the city wells have been monitored and they're monitored on an ongoing basis regularly, there's no indication of any contaminant in the Regina aquifers.

So we really have no problem to address at this time. The city is doing a study, as I indicated to the member. That study started approximately six months ago and it will be finished within the next nine or so. So the city is addressing what they see as a possible contaminant.

Until the time that the study is complete and the indications of the circumstances, the severity of the possible contamination, all of those things are known, you can't really as a Department of Environment step out to make corrections. We're working very closely. We're monitoring what the city is finding. And as the project proceeds, I'm sure that we can deal with the issue in time to protect the Regina aquifer. So the member is in a hurry for a decision on an issue that's been there for many, many years. The city has had the land fill for many, many years. And the government over the ages have let that land fill continue to be used. Until such time as we see the results of this study, we're not prepared to make decisions on which direction we should go, because we want to make the decisions with the best possible information in our hand, so that we make the proper decision for the aquifer and for the city of Regina.

Mr. Solomon: — Well I appreciate the minister's concern. As an MLA, as a member of the Legislative

Assembly, my responsibility is not just to those people who voted for me but to all people residing in my constituency, and in co-operation with all members, to represent all the people of this province.

What I'm a little concerned about is that the government, the Department of Environment, is not doing as good a job as it might with respect to a possible contingency plan if the water supply is polluted. All I'm asking the minister is whether he will initiate with his department officials a contingency plan with the city of Regina in the event the plume of leachet that is leaking toward the water supply indeed reaches there.

(1615)

And if it reaches there, according to the consultant's reports, there is no connection between the Regina aquifer and the Condie aquifer. There are two distinct aquifers, no doubt about that. But all studies to date have indicated that there was two separate aquifers. Now we find out that there are two separate aquifers, two stratus, that are joined. And if this plume of leachet reaches there, we could be in a potential problem.

My responsibility and my obligation to my constituency and to the people of this city is to raise this issue with you and to ask you and your officials whether (a) will you start working on a contingency plan in the event the aquifers are polluted? and (b) if that is the case, what contingency will you follow in terms of funding? And a separate related issue with respect to water supply, will the minister not get approval today, but at least be willing — give us assurance that he will be willing to talk to his colleagues regarding the funding of the water supply system in Regina in the event that it is indeed going to cost \$29 million, which would be a very heavy burden for the taxpayers of this city, the capital city of this province.

Hon. Mr. Swan: — The member talks about possible contaminants. And there's always possible contaminants in many, many areas, not just here. You can't put contingency plans in and spend millions of dollars for Regina, or for any other town, until there is proven to be some problem.

If there is a beginning of a leachet arriving in the aquifer, and we start to see something in the ongoing monitoring of our wells that provide for the city, then we could start to move in that direction of the city and the government discussing alternative water sources.

We aren't at the stage at this time. There is no identifiable problem with the city of Regina's water at this time. So the member is raising a flag. I don't believe that we can proceed to deal with that until such time as the plume does show whether or not it is going to be a problem to the Regina aquifer.

The study is ongoing, as I've indicated to you. We've worked with the city; we've asked them to do the study to begin with. And we're continuing to work with them. And as we get information, we will try and address the concern.

Mr. Solomon: — Well, Mr. Minister, I don't think you have a clear understanding of what the terminology "contingency" means. I'm sure you have a contingency plan if you spill soup on your tie; you've got another tie to put on. That's a contingency. You don't plan for it to happen, but if it happens, hopefully you've got another tie — although I haven't seen many different ties on the member lately.

What I'd like to do with the minister is just read out, from the *Canadian Senior Dictionary* from the Clerk's table, the definition of contingency:

contingency: 1. uncertainty of occurrence, dependence on change. 2. an accidental happening, unexpected event, or chance. (or) 3. a happening or event depending on something that is uncertain. . .

All I am asking the minister and his officials in the Department of Environment; in the event of something uncertain happening — as we've talked about, the line of questioning with respect to the aquifers being connected, the plume of leachet polluting them, in the event of that uncertainty, and we hope it doesn't happen — but if it happens, are you prepared to give us your commitment today that you will at least talk to your officials so that they can commence putting together a contingency plan with the city? I don't want to know what the contingency plan is right now; I don't want to know what the costs are; I don't want to know who's going to be heading it up. All I want is your assurance as to whether you will put a plan together, of contingency, with your officials and with the city of Regina in the event this uncertainty happens.

Hon. Mr. Swan: — I suppose we have already done that, for the hon. member. We've been taking water samples to be aware immediately of any problem occurring. And my officials have been meeting with the city of Regina on an ongoing basis, reviewing any concerns that the city has. And when the time arrives, the contingency will be in place.

Mr. Solomon: — That's terrific. So you're saying now that the contingency plan is in the process of being put together; is that correct, Mr. Minister? The Minister agrees in the affirmative. Okay, I thank you very much for that. Took a long time for us to get to that, but I appreciate getting there, as we all do.

What I'd like to do, Mr. Minister, is ask you a question about the proposed land fill sights that are put forward by the city. You indicated earlier, your officials attended the meeting of June 11, which was sponsored by the city. Could you please indicate to the House this afternoon what your officials have concluded about the future sites of the land fill.

Hon. Mr. Swan: — I'm afraid we haven't made a decision on where the city should put its land fill, nor should we. The city should make that decision. Once they give us an area that they want to use a land fill, then we'll require an environmental impact study and we'll review that study and see whether or not we can license the area that they propose. But it's their decision, no ours. We'll be glad to work with them as they go through the process,

and it's not an easy choice. The city is finding it most difficult. They've identified something like 25 possibilities. They narrowed it to 10, and I don't know if they've gone any further than that.

Mr. Solomon: — Well I'm pleased to hear that the minister has provided me with an answer that I had a good handle on, and I wanted to just test him to see if he was getting proper advice from his officials. And I must commend the officials; that is the right answer.

What I'd like to do, Mr. Minister, now is ask you a question regarding the environmental impact statement that will have to be done with this new land fill site. Will you give us an assurance that the environmental impact statement that will be done when the site is chosen by the city in consultation with the other groups and organizations, that this will be an environmental impact statement that will not be like the one on the rail line relocation which you had no jurisdiction to pass judgment on, but in fact that you will provide close guide-lines to the city to undertake that environmental impact statement so that all concerns related to the new land fill site are . . . (inaudible) . . .

Hon. Mr. Swan: — When we get that proposal from the city of any given site, or if it comes down to a choice between two or three, we will have them give us in an environmental impact study a comparison and a recommendation of which site of the three they would choose, and for what reasons. And I can assure you that we'll follow The Environmental Assessment Act to the letter.

Mr. Trew: — Thank you, Mr. Chairman. Supplementary to the member for Regina North West. Am I to understand that you are having ongoing discussion with the city regarding a new dump site at this time, you or your department?

Hon. Mr. Swan: — My department staff have an ongoing liaison with the city to be sure that the process they are following in selecting a site is properly done, and provide information wherever it's asked for to help the city be informed of all of the area that we may have some knowledge about. So yes, we work very closely, and as they work towards a selection of a site, we'll continue to do that.

Mr. Trew: — Thank you. Back to the present site for a few moments. The question of rainfall and the effect that that has on leaching is a concern to myself, and a couple of other people have brought it to my attention. Do you have any indication of what rainfall does to the chemical plume? Does a heavy rainfall automatically lead to further leaching, or does it not? What's your test results showing?

Hon. Mr. Swan: — The member asks a question that really we wouldn't have an answer to at this time. The study is ongoing. The amount of rainfall and the type of soil that is concerned — all of those things would be a factor that would be involved in the decision of whether or not rainfall was causing it to move faster, or same speed, or whether it was diluting it or what process that would be. I think you'll have to wait for geological

studies, geophysical studies — all of those studies of the movement of water through the ground — before we can really make any definitive statement as to what effect rainfall would have. At this time, really, we don't have an answer for that question. It will be interesting when we do have.

Mr. Trew: — With the present study, the six-month study that is going and being undertaken at this time, are those geophysical studies being . . . are they a part of the ongoing study?

Hon. Mr. Swan: — I believe they would be part of the study, but I couldn't tell you just to what extent the study will be in that area.

Mr. Trew: — Do you have any indication at this time how much further the present dump can be used. . . . How many years into the future the present dump can be used? I know it's getting to be quite a mountain right now, but are we talking five years, 10 years, or longer than that?

Hon. Mr. Swan: — At this time, no, we don't have anything that really would tell us how much longer they could use the present site. The ongoing study that they're doing now would be part of that kind of decision making. But the answer that will be forthcoming is not far enough advanced really to give you an answer to your question.

Mr. Trew: — But I think I understood from a question the member from North West asked you, about nine months from now that study will be complete and then the collection of the data should be sufficiently advanced that some of those answers will start to be coming out. Is that accurate?

Okay, the minister nods in the affirmative. Thank you for that. If — back to the chemical leaching for a minute — if indeed it is becoming a problem in a fast manner, that is to say the problem is growing quickly, quicker than perhaps we would like to think it is, is your department familiar with bentonite or any other solution for containing the chemical plume?

(1630)

Hon. Mr. Swan: — We are aware of bentonite as being one possible solution, but it . . . really there's no answer; no one method has been zeroed in on at this time. It will take an engineering decision to be made by people with some expertise in that area.

And I believe, once the study is complete, that the city and our department will likely be looking for the best possible engineering firm to give us a recommendation of the solution. It won't be a simple solution; it'll likely be a fairly major engineering project.

Mr. Trew: — Thank you, Mr. Minister. I'd like to turn to the old city dump now — Mount Pleasant, which is situated just off of Ring Road and smack dab in the middle of Regina North constituency. I guess I have many of the same concerns that I have with the present dump that is in use, in that this dump is an old dump that has been covered over and grassed and indeed is a lovely recreation facility — right in the centre of our city. It looks

very nice on the surface, but my concern is: what is happening down below?

Is your department doing any testing of the old Mount Pleasant dump site to see if there is any leaching of chemicals or anything else into the aquifer from that?

Hon. Mr. Swan: — The ongoing monitoring that we do is through the monitoring of the wells that are tapping that aquifer. The city may be doing some ongoing monitoring, but we are not directly involved in that, just the well monitoring.

Mr. Trew: — Are you saying you're unaware of any testing that is going on at Mount Pleasant? And in your answer you turn to some well testing. What is the nearest well testing to Mount Pleasant?

Hon. Mr. Swan: — My staff advise me that there are some wells on 9th Avenue North, so they'd probably be as close as any to that area. But it's the wells that are monitored are the city wells, all of the city wells. Samples are taken on a regular basis and checked to see whether there's any contamination occurring anywhere. And up to this point in time those tests are proving that the water is good.

Mr. Trew: — So we're talking a good half mile from the dump to . . . Just a minute, did you say 9th Avenue North or 12th? There's wells on 9th Avenue North. Can you tell me where on 9th Avenue North those wells are?

Hon. Mr. Swan: — We're having some difficulty with that. It's really information that the city would have more than we would because they bring the water samples to the department. So I'm having difficulty identifying the location of those wells. If the member is really concerned, you could ask the city and they could provide it fairly easily.

Mr. Trew: — Mr. Minister, I've asked some serious questions about an old city dump that was in use at the time that DDT (dichlorodiphenyltrichloroethane) was used by everyone, everywhere around the city. and I just name DDT as one example of a chemical that has been banned for quite some time now because of its persistence in deadliness, not only to the animal kingdom but, indeed, to human beings. And indeed, it would seem very logical that there is DDT and other contaminants in the Mount Pleasant Park area — underneath the land, of course.

But my concern is that some of this may leach into the aquifer. And as we mentioned earlier, when 40 per cent of the city's water comes from an aquifer, we have to be concerned about that. Will your department undertake to do some testing to see that indeed in this — I can hardly call it ancient — but in this old and no longer used dump site, that there is not the same chemical leaching, chemical plume coming out of the Mount Pleasant area that there is out of the dump that is presently in use? Will you undertake to do that testing?

Hon. Mr. Swan: — The staff advised me that it's the city's responsibility to monitor. But we will undertake to check with the city to see what monitoring they are doing and

what results they are getting that may be of use to the member. We couldn't have it immediate, but we can undertake to do that.

Mr. Trew: — You are the Minister of Environment; therefore, I submit it is your responsibility to look after the environment, Mr. Minister. The city can indeed do the testing, but I think you should be insisting that the testing is done. And we've got a potential problem, as late as approximately seven or eight months ago, according to what you were telling me earlier — and I'm not arguing that — as late as seven or eight months ago we didn't even know that there was a chemical plume coming out of the existing sanitary land fill.

I think that it is indeed very timely that we should check the old Mt. Pleasant site. Let's get it established. If there's no chemical plume coming out there, and it's sealed over top and doesn't seem to be leaching out of the bottom line, then indeed the case may be laid to rest. But we should have that assurance. And you are, I point out, the Minister of Environment, and I believe you have the responsibility and the duty to see that those tests are performed. Will you do it?

Hon. Mr. Swan: — I indicated to you in my last answer that we would do that. We would see what the city has done, get a reading on what those tests are showing, and report back to you, I don't know what more you could ask. I guess you don't have to tell me I'm the Minister of Environment. I know that.

Mr. Trew: — Well, Mr. Minister, in your previous answer I indeed heard you say to me you were going to check and see if the city had done any testing. And I had no assurance from what I heard, that you were going to pursue it beyond that. I thought it was a case of, if the city had done some testing, that was great, and if they hadn't, well that was also great. And that's not acceptable. That was the point I was making.

I am aware that . . . at least after the time we have spent talking to you as Minister of Environment, you certainly should be aware of it by now. If you weren't before, you know you're the Minister by now.

I want to turn my questioning to another problem that is coming up. This is a problem that has been with the city of Regina since long before you were the Minister of Environment, but it is now about to become, I believe, double the problem. And that is of air quality. And I'm referring to specifically the heavy oil upgrader, for which I'm delighted that that upgrader is being built, and it is part of the megalopolis of Regina. We welcome the economic initiative of it, but the smell of prosperity is pretty — will be pretty rank.

It is my understanding that the sulphur dioxide emissions are going to be significantly increased — that is the allowable maximum is going to be significantly increased. Can you tell me what the present allowable sulphur dioxide emissions are and what the allowable maximums will be, once the upgrader comes into being?

Hon. Mr. Swan: — I'm advised that prior to 1984, the Co-op Refinery emissions were about 12,000 tons per

year, of sulphur dioxide. They put in a sulphur plant that would reduce that to 1,200 tons. So you know, that's a considerable cut.

The estimate is that the . . . when the upgrader is in full operation we'll have about 4,000 tons per year. So it'll be a little more than we have now but much less than we had prior to 1984.

Mr. Trew: — Mr. Minister, 4,000 tons per year is quite a bit more than a little bit more than 1,200 tons. I am less interested in what happened prior to 1984 because we were in a decade of improving our pollution controls, both to the air and the water and the land. And indeed pollution control was becoming a way of life — was becoming a way of life.

And now we have a situation where we are going to more than triple the amount of sulphur dioxide that is coming into the air, And I'd like to point out to the minister that in the years just prior to 1982, I believe would be the last of the Uplands expansion — but there was a residential area that was filled completely on the basis that sulphur dioxide emissions were severely restricted, indeed as you point out, down to 1,200 tons per year. Now that that housing is complete and it's too late for these folks to move out without the values of their properties dropping, now at this time we're saying, oh well, we'll just triple the sulphur dioxide. And that's just not acceptable. There must be a better way.

(1645)

Last year, Mr. Minister, it's my understanding that there was two testing sites at the co-op refinery. Am I accurate in saying there was two test sites there?

Hon. Mr. Swan: — I'm advised by my staff that the odours that you smell are not sulphur dioxide, but they're hydrogen sulphide. They're two entirely different chemicals, and that's the one you smell that drifts over the city.

The Co-op refinery has been asked by the department to try and do a study to come up with the location that that smell is coming from. They don't have a clear idea at this point. They've undertaken that study and hopefully will have some method of solution proposed soon. I can't give you a date on that, but it's being looked at.

Now it's fine to say that we've tripled the sulphur dioxide, and in a sense we have. But if you take 4,000 tons compared to 12,000 tons that we were having in 1984, I think it would be a little more realistic to say that it's one-third of the emission rather than to say it's a triple emission. So you know, it depends on which end you look at.

Mr. Trew: — You're quite right, Mr. Minister, it depends on which side of the floor you're sitting on, whether it's one-third or three times. I rest my case that it's three times the emission. And I appreciate your officials telling me that it is hydrogen sulphide that we smell.

Do you have any quantification of how much hydrogen sulphide is coming out? Is it measurable in terms . . . I'm

not sure whether you measure hydrogen sulphide by volume or by weight. That's I guess, where I'm running into some difficulty. How do you quantify it?

Hon. Mr. Swan: — I'm advised that we have two monitoring points at the refinery. We don't measure the hydrogen sulphide in tons. We measure it. But what I would tell you is that they are at this time exceeding the requirements of our Pollution Control Act in the hydrogen sulphide area. The sulphur dioxide is well within the requirements of the law, and with the upgrader in place, it will still be well within the requirements.

So I think that in respect, they are doing a reasonably good job. The other one, we're asking to improve, and hopefully, that can be done. But we're not just sure of the exact location of that release and until we find it, it's hard to correct.

Mr. Trew: — Thank you, Mr. Minister. I just want to come back to a question that the member for Regina North West brought up, and that was of punishing constituencies that have elected New Democrats. And I'd like to point out to the minister that there are eight members — eight New Democratic Party members in Regina. And it's coincidental, or maybe it's not — maybe we're all million dollar members. I think that the other seven are certainly worth a million dollars each, and I hope that my constituents think I am as well.

But the City of Regina has had its funding cut by \$8 million since the past election. And that represents nearly one-third of the funds that previously have been transferred from the province to the City.

So indeed, I'd suggest to you, you could use this \$8 million that your government chose not to transfer to the city, you could use that \$8 million for a water project — the \$29 million project that the member for Regina North West talked to you about a little earlier. My question is: will you use that \$8 million that you've taken from the residents of Regina and put it towards a water solution?

Hon. Mr. Swan: — Let me assure the hon. member that in the decisions dealing with the government grants, there was never any discussion or any intention of taking grants away from any particular point where there might have been a New Democratic party member. That subject never comes up in our caucus or in our government when we're discussing where things are going to be done. That may have been the way you fellows did things. We don't do things that way.

We deal with the people in the province of Saskatchewan as citizens of this country and of this province that need service, and we're glad to provide that service. Now if you as an MLA continue to work hard, perhaps you'll provide some service as well, and I hope you will.

My department has taken no money out of anybody's pocket. We don't give grants. So the question that the member raises is not a question for this department. If you would like to deal with grant cuts to Urban Affairs, perhaps it should come forward when Urban Affairs's estimates are up.

Mr. Trew: — Thank you, Mr. Chairman. I'm completed my estimates with you, Mr. Minister, and thank you for your answers. And I thank your staff as well for their part in this answer.

Mr. Shillington: — Thank you very much. Mr. Minister, I have a number of questions. One of them relates to the item of public safety. And I'm wondering if you could give us a breakdown of where the 87 staff came from. This was taken into your department this year, and I'm wondering where the 87 staff came from. Did they all come from technical services, or did some, as the footnotes suggest, come from administration? If the footnote's accurate, and I assume it is, then I'd like the breakdown of what came from administration and what came from technical services.

Hon. Mr. Swan: — Fourteen staff came from administration and 73 from technical services.

Mr. Shillington: — The technical services in the former department had 110, I think. What about the others, the other 20 or 30 in technical services? What became of those, Mr. Minister?

Hon. Mr. Swan: — The member may not have been in the House when we dealt with this question before. We did give these answers before. But there were 11 early retirements and 21.8 will transfer to Sask Power for the power and gas inspection division.

Mr. Shillington: — I want to . . . I did hear portions of the comments made by the member from Saskatoon Mayfair. Yes, I did hear those comments. I want to add my voice to the concern expressed. We had a serious tragedy occur when that department was understaffed and overworked. And now we find ourselves with apparently 11 fewer people performing the same duties. And I want to, Mr. Minister, add my voice to those who expressed concern about that.

Those services that are performed are absolutely essential. There's no way in the world that the public can do it themselves — no way any member of the public who doesn't have an engineering degree is going to know whether the furnace is operating safely or not. Those services are absolutely essential. The result of failure to do them, as we found out in a tragic way, is death.

And I want to add my voice of concern to those people who have expressed the view that the number of people in that section of your department is already to thin, and you've exacerbated that when you've reduced the staffing by 11 people, as it turns out.

Hon. Mr. Swan: — I want to ensure the hon. member that I'm concerned that the inspections for gas and electrical be done, and done promptly and properly.

The 11 people who took early retirement completed their work for the most part at the end of May. I think we have one who has extended, like has taken early retirement, who is extending his term until a little later in the season after this transfer occurs.

When we get into Sask Power, and Sask Power gears up to

handle a job, they may not remain 11 vacancies, and I would doubt very much that they would. I think they'll hire back, but because of the transfer process that we're in we didn't think it was wise for us to try and hire new people on a short-term base and then transfer them to Sask Power. We think it's better that Sask Power hire their own people. And indeed in the gas area they may have as many people as they need, because they have many people now doing gas inspection at the time of hook-up. So we feel; that the job can be done better by Sask Power, probably at considerable savings to the province, and it will be done at the time that the gas connection is finalized. So it's probably the right route to go at this time in history.

The Assembly recessed until 7 p.m.