

The Assembly met at 10 a.m.

Prayers

## ROUTINE PROCEEDINGS

### READING AND RECEIVING PETITIONS

**Clerk:** — According to order, I have reviewed the following petition and find that it is in order and is therefore to be read and received: of certain residents of the province of Saskatchewan praying that the Legislative Assembly may be pleased to urge the provincial government to reverse its decision to relocate the Saskatchewan liquor board store from its present location in the Market Mall to a new location on Eighth Street, Saskatoon.

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

### NOTICES OF MOTIONS AND QUESTIONS

**Mr. Koskie:** — Thank you, Mr. Speaker. Mr. Speaker, I give notice that I shall on Tuesday next, move:

That this Assembly regrets the continued steady decline of Saskatchewan's rural communities, as is evident by the alarming rate of rural depopulation, education cut-backs and lay-offs, and business bankruptcies on main street.

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

### INTRODUCTION OF GUESTS

**Hon. Mrs. Smith:** — Thank you, Mr. Speaker. Through you and to the members of the Assembly today, Mr. Speaker, we indeed are privileged to have two guests with us that are on a journey across Canada under the sponsorship of Bicycle Canada, 1990.

They are seated in your gallery, Mr. Speaker, and I would ask them to stand. They are Mr. Nooral Ahmed and Douglas Bell. They left Victoria, British Columbia on May 13, Mr. Speaker. They are going right across Canada on this journey. I understand that they had the opportunity to visit the Alberta legislature, and today we are indeed honoured to have them with us.

Mr. Speaker, their goal in this exercise is one that we would all like to be able to do, and that is to experience Canada as a country and the people within it. They are going to be travelling the untrod path visiting rural communities, urban communities, and getting to know their fellow Canadians. And in the spirit of a green Canada, Mr. Speaker, Nooral and Doug will leave nothing behind except their shared experiences, and it is their intention to take with them nothing but their memories.

We wish them, Mr. Speaker, a safe journey. We welcome them here today and I would ask all members to join me in that.

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

**Hon. Mrs. Smith:** — Mr. Speaker, I have the honour today to present to you 49 grade 4 and 5 students from Dickson School in Swift Current, along with their teachers, David Frantz and Gerry Regier and Brenda Clark. They also are accompanied with some parents, Mr. Speaker: Laura Wiens, Pam Williams, Delorie Flaterud, and John Bowers. Mr. Speaker, I will be meeting with these students at approximately 11 o'clock and I would ask all members to welcome them, and may you enjoy the question period today.

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

**Ms. Simard:** — Thank you, Mr. Speaker. I would also like to introduce a group of grade 7 and 8 students from Deshayes School, approximately 27 students I believe, who are here this morning to visit the legislature and listen to question period. I will be meeting with them after for pictures and drinks. And they are accompanied by their teachers, Mr. Todd Schwartz and Mr. Ross Mahoney, Mr. Speaker. And I'd ask the members to join me in welcoming these students to the legislature.

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

**Mr. Koskie:** — Thank you, Mr. Speaker. Mr. Speaker, it gives me a great deal of pleasure to introduce through you and to the members of the House, our legislature, some 18 students from the Watson Elementary School, grade 5 students. They're seated in the Speaker's gallery. They're accompanied by their teacher, Mr. Chris Hancock; and parents, Eugene Eggerman and Therea Graf. Mr. Speaker, I too will be meeting with the students. I ask members of the House to join and extend a warm welcome to the group from Watson.

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

### ORAL QUESTIONS

#### Changes to Millar Western Project

**Mr. Tchorzewski:** — Mr. Speaker, my question is directed to the Minister of Environment. Mr. Minister, it's reported today in the news media that Millar Western pulp mill in Meadow Lake is making a substantial change to its plans in its project, a change which I submit will have a very significant environmental impact. And that change, Mr. Minister, is that the plant is no longer going to draw water from the aquifer, which the environmental impact statement said it would, and instead now wants to draw water from Meadow Lake itself. Can you explain, Mr. Minister, how this now impacts on the authority that has been given by your department for Millar Western to proceed?

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

**Hon. Mr. Hodgins:** — Thank you, Mr. Speaker. The hon. member is quite correct. I have learned only very recently that the company has made a proposal to the Department of the Environment to make a change in its water supply source.

I want the hon. member to know that the issue has been

referred to my department, to the technical environmental experts and professionals in the Department of the Environment. They are at present conducting a technical review of the proposal. It will be given very thorough consideration and examination and looked at from all perspectives of the environment, and a proposed change such as this will be subject to the environmental impact assessment Act.

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

**Mr. Tchorzewski:** — Mr. Minister, section 16 of that environmental impact assessment Act states that when a proponent is proposing a change, you can require that proponent to actually do a full environmental impact assessment and statement on that aspect of that report, or a full environmental assessment statement. In this case, obviously this environmental assessment statement and study was not adequate.

Will you give your assurance to the House today, Mr. Minister, that you will be asking for a full environmental impact assessment and statement which will be made public as it applies to this major and very significant change in the procedures that the company is going to now apply?

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

**Hon. Mr. Hodgins:** — Mr. Speaker, I give the hon. member the following commitment: that I and the professionals in the Department of the Environment will give this whole issue very close scrutiny.

Mr. Speaker, I want to emphasize that at present this is only a proposal, and we may say yes, we may say no. Mr. Speaker, I can only tell you that it will receive significant consideration by the department.

The hon. member will know the history of this project, that this is not the first change. There were other changes, Mr. Speaker, that were demanded by myself with respect to this particular proposal. Mr. Speaker, you will recall that the proponent initially wanted to go zero effluent after a couple of years. Mr. Speaker, you will recall that this minister required public meetings. Mr. Speaker, you will recall that the public attended those meetings. The public were heard; the public were listened to, Mr. Speaker, and changes were required.

I make the commitment, Mr. Speaker, that this same type of a proposal here, which is only proposed at this time, will receive the same type of due diligence.

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

**Mr. Tchorzewski:** — A new question, Mr. Speaker, to the minister. Mr. Minister, what you have just said underlines why the problem is there. There were not appropriate public hearings. There were public relations meetings sponsored by your department to sell the project rather than put the environmental impact statement up to scrutiny.

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

**Mr. Tchorzewski:** — This is an environmental impact study and statement which is inadequate and is incomplete. And it's now becoming clear, Mr. Minister. The study showed in this case, my question, that the underground water proposed to be used in the project was not suitable. That's what the study showed. You knew that, Mr. Minister, and yet you authorized the construction contract, the licence. You were totally unconcerned about the environmental impact and just wanted to bull ahead with the proposal.

Mr. Minister, since day one the major environmental concerns with this project have been water. Surely given this major change in the project, even you can see the need for a full environmental impact process which includes public hearings. Will you make a commitment to this House today that you will now initiate public hearings so that other shortcomings in that environmental impact study can be questioned, and therefore the company has to justify what it is proposing and so do you and the Department of the Environment.

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

**Hon. Mr. Hodgins:** — Mr. Speaker, you may rest assured that the proponent of this proposed change, the Millar Western corporation will have to justify in every sense of the word this proposed change. Mr. Speaker, it would be terribly unfair of me to make any firm commitments on exactly what decisions are going to be taken today.

Mr. Speaker, I have only been informed recently of this proposal, Mr. Speaker. I stress once again, it is a suggestion by the company, a proposal that has been put forward. I think, Mr. Speaker, as a minister should, he should review this issue. He should have all of the facts and figures before him. He should have good discussions with his environmental experts in the department and, before making any hasty or rash decisions, have all of the facts before him, Mr. Speaker. And I give you that assurance that that process will take place.

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

**Mr. Tchorzewski:** — New question, Mr. Speaker. Mr. Minister, had you had public hearings as you should have under The Environmental Assessment Act, these problems would not now be probably before us. Mr. Minister, it's not the first one. This is not the first time. Initially the company — and you approved verbally — said that they would dump for two years effluent into the Beaver River. Under questioning, the one time questioning was allowed, the company said that there was absolutely no other way in which that's possible. They had to have the two years of dumping. You then issued a licence, Mr. Minister, saying that that will no longer be required, even though the company said that there was no other way.

I ask you then, Mr. Minister, in light of that contradiction and in light of what's happened here now, why do you persist in doing this analysis and review behind closed doors, in secret between you and the company, and not involve the public of Saskatchewan who has a right to know and has a right to ask some questions because they will be very severely impacted?

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

**Hon. Mr. Hodgins:** — Mr. Speaker, I want to clearly outline the process and the history of this development. Mr. Speaker, this proponent made proposals to the Department of the Environment; this proponent followed the environmental assessment process to a T. Mr. Speaker, this minister asked for public meetings. The public wanted input into this process, the public were given that opportunity, and the public spoke, Mr. Speaker. The public spoke and asked for changes; they had input into this process.

Those changes took place. Mr. Speaker, this proposal has been scrutinized thoroughly. It has been looked at by professionals in the department and the public at large, and it's been given approval.

Now today, Mr. Speaker, something new has come across our desk — a change to the project. I think that's fair and reasonable. If companies want to make changes, that's fine, Mr. Speaker, but they are also subject to the letter of the law and they will be given very close scrutiny, Mr. Speaker. And I don't think the members opposite should really have anything to complain about in that respect.

If, Mr. Speaker, the case is simply that the members are against diversification of our economy, if the members opposite are against the jobs and opportunities that are associated with developments, that's another story, Mr. Speaker. But, Mr. Speaker, if they want true environmental management of this issue, that's what they will get.

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

#### **Effects of GST on Agricultural Insurance**

**Mr. Upshall:** — Thank you, Mr. Speaker. Mr. Speaker, in the absence of the Minister of Agriculture, I'll direct my question to the Associate Minister of Agriculture. Mr. Minister, I have a copy of a letter which was sent to all insurance brokers in this province and it concerns the Saskatchewan farm insurance manual. And it states, and I quote:

To recap, all property rates have been increased 4 per cent to compensate for the forthcoming goods and services tax.

Now, Mr. Minister, at this time last year when your government was speaking in favour of the goods and services tax, were you aware that it was going to have this kind of impact on Saskatchewan farmers?

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

**Hon. Mr. Martens:** — Mr. Speaker, I'm going to take notice of the question.

**Mr. Upshall:** — Well, Mr. Minister, new question. While the minister is taking notice of that one, I think that's very indicative of the kind of performance and the position this government has taken on the goods and services tax.

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

**Mr. Upshall:** — At this time last year you were too busy defending it to do a study of the goods and services tax and the impact. This year you're too busy hiding from it to do the study of the impact. And our farmers simply can't afford these increases due to the goods and services tax, Mr. Minister.

Mr. Minister, I want to know what you're intending to do about this, and will you be bringing forward to this House a complete analysis of the goods and services tax and its effect on farmers and present it to this House? Thank you.

**Hon. Mr. Martens:** — Mr. Speaker, the goods and services tax as it relates to agriculture is under constant review by not only the Department of Agriculture, but by the Department of Finance. And as we go into the last part of this year we will be finding out that there are more and more of the things happening in relation to the tax that we haven't got answers for today. And so as we go through that we will be providing to agriculture and to the farmers of the province, exactly what they will have to be paying and why they will have to be paying it.

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

**Mr. Upshall:** — Well, Mr. Minister, just let me explain to you. This is a letter from Saskatchewan Mutual Insurance Co. to all Saskatchewan brokers re: the Saskatchewan program. And it states, and I quote:

Enclosed is a complete reprint of a Saskatchewan Habitational Manual incorporating the premium increases announced in our letter of May 11. To recap, all property rates have been increased by 4 per cent to compensate for the forthcoming goods and services tax.

Now, Mr. Minister, I ask you, if you had not been in Brian Mulroney's hip-pocket for so long, if you had not been doing your dodge and bob and weave performance in this House, you may have known that these types of increases would have been the result of the goods and services tax.

If you had been opposing the tax in 1988, you would have had a plan to deal with this. Obviously, you haven't. So, Mr. Minister, I ask you: why did you spend so much time singing the Hallelujah Chorus to Brian Mulroney instead of standing up for Saskatchewan farmers, joining the opposition, the workers, and the farmers of this province in opposing the goods and services tax?

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

**Hon. Mr. Martens:** — Well, Mr. Speaker, I have, as I have indicated earlier in this House, farmed under three administrations. I have farmed under Liberals and NDP and Conservatives, and I think Conservatives are better.

The other thing that I want to point out, Mr. Speaker, is this: that since 1985, the federal government have provided to the province of Saskatchewan, \$6.6 billion. Now, who's hip-pocket . . . I think it was in the left-hand hip-pocket of the federal government we were in. Exactly.

And they were paying to us \$6.6 billion to the province of Saskatchewan in those five years.

Now, as it relates to GST (goods and services tax), this government has consistently said that we have been against it, and that's what we continue to say on the basis of our review in agriculture and our review as the Minister of Finance has indicated over and over again — this one and the ones we've had before.

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

**Mr. Upshall:** — New question, Mr. Speaker. Mr. Minister, I can tell you for every cent the federal government has given Saskatchewan farmers they have taken one away. They have taken away \$270 million and the two-price wheat. They have taken away \$27 million in the . . . for the cash advance program. They have taken away \$400 million in the rail line rehabilitation program. They have taken \$273 million in the western grain stabilization that hasn't paid out in the last couple of years — \$424 million dollars from Canadians . . .

**The Speaker:** — Order, order. It seems that we have a situation where questions and answers are becoming debate and I'd like to bring that to the attention of the member from Humboldt.

**Mr. Upshall:** — Well I think, Mr. Speaker, Mr. Minister, the list stands for itself and you know what the cuts have meant to Saskatchewan farmers because 10,000 notices of foreclosure.

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

**Mr. Upshall:** — Mr. Minister, just to refresh your memory, on April 10 of last year in this House, the then minister of Finance in a response to a question from our leader, said, and I quote:

With all respect to the Leader of the Opposition, the national sales tax can be imposed in ways which mean a reduction for farmers.

That's what he said last year. That was your position.

Now, Mr. Minister, would you care to explain to this House today how this tax, exactly how this tax is going to mean a reduction for farmers.

**Hon. Mr. Martens:** — Mr. Speaker, as we've looked at the opportunities in relation to agriculture that we have initiated with the federal government, if you take a line on net farm income since 1985, 1986, 1987, 1988, 1989, and 1990, all from net farm income have been at a minus position, every one of them. And every one of them, Mr. Speaker, if you look on a line, have had a positive cash flow in each one of those years and again in 1990. And all of that money was supplied to the province of Saskatchewan by the federal government. And that's a fact, Mr. Speaker.

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

### Community Development Bond Program

**Mr. Mitchell:** — Mr. Speaker, my question is to the minister responsible for Economic Diversification and Trade. Mr. Minister, you'll know that when you announced the community bond program, we expressed some concern about the fact that the bonds were exempted from the Securities Commission, and now I see that the chair of the Securities Commission shares that concern.

My question to you is: will you bring in an amendment to the legislation when it next comes before this House to ensure that the bonds are subject to the scrutiny of the Securities Commission which after all is there to protect investors?

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

**Hon. Mr. Schmidt:** — Mr. Chairman, the answer is no. The role of the Securities Commission is to regulate within their jurisdiction, and their jurisdiction does not include politics, so that they are to do their duties within their jurisdiction and the politics will be in the legislature. We've already passed the Bill and there will be no amendment.

**Mr. Mitchell:** — Mr. Minister, it's not a question of politics; it's a question of protecting investors, and the chair of the Securities Commission has expressed concern. He feels the commission has a role to play in those cases where people choose to trade bonds for equity in the companies in which investments are made.

Now since your guarantee of the principal amount of the bonds does not cover, does not cover those conversions, and the investors are taking a risk at that point, surely they're entitled to the protection offered in law by the Securities Commission. Now why would you deny them that protection?

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

**Hon. Mr. Schmidt:** — Mr. Speaker, these bonds are, firstly, guaranteed by the province of Saskatchewan in principal. Secondly, there is a review committee established under the Act to review the activities of the community bond corporations. Thirdly, the regulations will soon be available and will give further details of the powers of the review committee. And fourthly, there's a limit to how much bureaucracy we can establish when we are trying to develop small industries in small communities throughout Saskatchewan.

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

**Mr. Mitchell:** — A new question, Mr. Speaker, to the same minister. Mr. Minister, the Securities Commission is already there. You don't have to establish any new bureaucracy to take advantage of their services.

Now isn't it true — and you mentioned the word — isn't it true that the real reason behind this is simply politics? Isn't it a fact that you're remembering the Saskatchewan energy debacle where you attempted to advertise those shares for political advantage, and when the Securities Commission wouldn't let you, you brought in a cabinet order to exempt those shares? And isn't it a fact, Minister,

that you want to do some more political advertising at taxpayers' expense — and I raised this question with you during consideration of the Bill — to try to get some political mileage out of the bonds, and you don't want any more interference from the Securities Commission? Isn't that what's really behind this position?

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

**Hon. Mr. Schmidt:** — Mr. Speaker, it's clear that the opposition wants the community bonds economic strategy to fail. It's clear that they want to throw up more bureaucratic hurdles before the communities which wish to develop themselves. It is clear that the opposition is more interested in politics than the economic health of rural Saskatchewan.

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

### Aurum Dump Site

**Mr. Lautermilch:** — Mr. Speaker, I have a question for the Minister of the Environment. Mr. Minister, on May 30 I attended public hearings held by the city of Edmonton with respect to the Aurum dump site. At that time I presented a case on behalf of the people of the cities of Prince Albert and North Battleford, communities of Nipawin and other areas along the North Saskatchewan River who are concerned about the Aurum dump site and the effects on their water and on the North Saskatchewan River.

And they're asking me, Mr. Minister, and I'm asking you, why their Minister of the Environment wasn't attending those meetings to speak on behalf of those people. Can you tell me why you weren't there.

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

**Hon. Mr. Hodgins:** — I think the hon. member would know the history as well of this particular issue, and I think it was made abundantly clear what Saskatchewan's position was. And when I say Saskatchewan's position, Mr. Speaker, I'm not speaking just of me personally, I'm speaking of the mayor from Nipawin, I'm speaking about the mayor from your city of Prince Albert, and I'm talking about the mayor from the city of North Battleford, as well as the mayor of the city from Lloydminster.

Mr. Speaker, these mayors, myself, all together have expressed a unified position, a position that has said the proposed site is not acceptable to Saskatchewan. The proposed site should be reviewed, Mr. Speaker, but we also felt extremely comfortable that there were processes and laws in the province of Alberta that would take this issue to a natural conclusion where the public could be well heard. Mr. Speaker, I feel Saskatchewan has made their statement well. I believe it's been a unified position, Mr. Speaker, and I think most of those people in those communities would very quickly recognize what their mayors and what this provincial minister has stated in the past.

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

**Mr. Lautermilch:** — Mr. Speaker, I have another question

to the minister. Mr. Minister, no one will take your word on this. Initially you said you had no concerns, then you told us in this House that you would make representation to the city council, and now you tell us what you've done is good enough. And I say to you, it's not good enough.

I want to know, Mr. Minister, don't you realize it's your job to make as strong a representation as you can on behalf of the people along the North Saskatchewan River, and it's not your job just to ignore environmental concerns. I ask you again, and I want to ask you one more time why you weren't there, and you know that these meetings are going to be reconvening on June 13, and I'm asking you today, will you make sure that you are there to represent the concerns of the people along the North Saskatchewan River, or will you not?

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

**Hon. Mr. Hodgins:** — Mr. Speaker, I will inform you and the House of what I am interested in. And, Mr. Speaker, I am interested in making clear Saskatchewan's position with respect to environmental concerns. This is a prime example.

I am not interested, Mr. Speaker, in grandstanding and holding an issue up like this just to gain political attention, Mr. Speaker. I'm interested in truly protecting the environment, Mr. Speaker. If the member was genuine in his remarks, he would have consulted with his mayor and the people of Prince Albert who know full well what the position of the Saskatchewan government, together with all the mayors that I have previously listed, Mr. Speaker. That position is abundantly clear. I'm interested in making that position known. I am not interested in political grandstanding *per se*.

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

### ROYAL ASSENT

At 10:34 a.m. Her Honour the Lieutenant Governor entered the Chamber, took her seat upon the throne, and gave Royal Assent to the following Bills:

Bill No. 16 — An Act to amend The Mortgage Protection Act

Bill No. 17 — An Act to amend The Education and Health Tax Act

Bill No. 18 — An Act to amend The Stock Savings Tax Credit Act

Bill No. 23 — An Act to amend The Corporation Capital Tax Act

Bill No. 01 — An Act to amend An Act to incorporate Mennonite Brethren Church of Saskatchewan

Bill No. 02 — An Act to amend An Act to incorporate the Millar Memorial Bible Institute

Bill No. 03 — An Act to amend An Act to incorporate Grey Sisters of the Immaculate

Conception of Pembroke

Bill No. 2 — An Act respecting Family and Community Services

Bill No. 28 — An Act respecting Investments by Saskatchewan Residents in Support of Community Diversification and Environmental Protection

Bill No. 9 — An Act to amend The Saskatchewan Housing Corporation Act

Bill No. 14 — An Act respecting Certain Payments to the Meewasin Valley Authority, The Wakamow Valley Authority and the Wascana Centre Authority

Her Honour retired from the Chamber at 10:37 a.m.

## ORDERS OF THE DAY

### GOVERNMENT ORDERS

### COMMITTEE OF FINANCE

#### Consolidated Fund Budgetary Expenditure Saskatchewan Water Corporation Ordinary Expenditure — Vote 50

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

**Hon. Mr. Martens:** — Yes, Mr. Chairman. I have with me today Brian Woodcock, the president of Sask Water Corporation; and Wayne Phillips on my right here; and Wayne Dybvig from the administration.

#### Item 1

**Mr. Calvert:** — Thank you, Mr. Chairman. I want to welcome the minister and his officials to the examination of the water corporation estimates, with a particular word of welcome to Mr. Woodcock who has very recently taken over as president of the water corporation. And I know I speak for all members on this side of the House in saying we wish you well in your new work and appointment.

Mr. Minister, I want to plunge right into questioning regarding some of the activities of the water corporation. First of all, just a very short question about the water supply utility portion of Sask Water. Through the water supply utility, Sask Water supplies water to a variety of industrial, municipal, and other uses for water. Mr. Minister, does Sask Water have a basic charge, a fee structure, a charge for providing water to an industrial development?

**Hon. Mr. Martens:** — Mr. Chairman, we have a standard rate for raw water and we have a basic standard rate for treated water.

**Mr. Calvert:** — Well, Mr. Minister, I want to know what

the rates are. What is the rate for raw water to an industrial site?

**Hon. Mr. Martens:** — Mr. Chairman, the rate for raw water is about \$1.56 and treated water is \$3.50 per thousand.

**Mr. Calvert:** — Per thousand, Mr. Minister. Will you complete the sentence. What is the rate for raw water to an industrial site — \$1.56 per thousand what?

**Hon. Mr. Martens:** — Per thousand imperial gallons.

**Mr. Calvert:** — Mr. Minister, it's my understanding, and you can correct me if I'm wrong, that Sask Water will be responsible to provide the water to the Cargill fertilizer plant being proposed for Belle Plaine. Mr. Minister, will you confirm that it will be Sask Water's responsibility to build and install the pipeline to the Cargill fertilizer plant at Belle Plaine?

(1045)

**Hon. Mr. Martens:** — Mr. Chairman, the Sask Water Corporation was asked to provide water to the Saskatchewan fertilizer plant. The treated water is being put in this summer and at the treated water rate, and the design of the raw water-line is being made at this point.

**Mr. Calvert:** — So, Mr. Minister, you're confirming that Sask Water is putting in the raw water-line from Buffalo Pound Lake to the fertilizer development at Belle Plaine. You're confirming that this morning.

Mr. Minister, will you confirm that the pipeline from the lake to the plant will be 20 kilometres in length, that it will be buried three metres below ground surface, and that it will be an 18-inch pipe?

**Hon. Mr. Martens:** — Mr. Chairman, as I indicated, the design is being drawn up, the engineering components are being drawn up. You're close on your kilometres, you're close on your depth, and you're close on your estimate of the size of the diameter of the pipe.

**Mr. Calvert:** — Then, Mr. Minister, for the committee will you then tell the committee how much this will cost Sask Water for the pipeline, the installation of the pipeline, all of the design work and so on. And I assume that with the pipeline will be the pumping station at the lake. Will you tell the House the total cost of this project to the water corporation?

**Hon. Mr. Martens:** — Mr. Chairman, when the design is completed and the engineering works are completed, we will have an exact cost of that and then we will be asking for submissions for the products that we're going to be using. And at that point in time, we'll be able to tell you what the price is going to be.

**Mr. Calvert:** — Well, Mr. Minister, can you tell the committee this morning an estimated cost? I don't need it to the exact cent, but surely you must have an estimated cost for this project.

**Hon. Mr. Martens:** — For both of them, our anticipated

cost is between 4 and \$5 million. It's about four and a half.

**Mr. Calvert:** — So you're saying, Mr. Minister, that for this pipeline from Buffalo Lake to the Cargill fertilizer development, it will cost Sask Water somewhere in the neighbourhood of \$4.5 million. The product that you're delivering of course is raw water from the lake, and for that product you're receiving \$1.56 for every thousand imperial gallons, Mr. Minister.

Mr. Minister, how much water will be taken from the lake through the pipeline for the development, on a daily basis?

**Hon. Mr. Martens:** — Mr. Chairman, the volume of water that they anticipate using is 720 million gallons annually, and that amounts to about 2 million gallons per day.

**Mr. Calvert:** — Mr. Minister, could you have your official translate that into cubic metres?

**Hon. Mr. Martens:** — Mr. Chairman, there are 330 decametres.

**Mr. Calvert:** — 330 decametres. Mr. Minister, I have in front of me some of the documents tabled by the Minister of Environment in regards to this plant. I have in front of me here the final project proposal for the proposed nitrogen fertilizer plant at Belle Plaine, Saskatchewan, prepared for Saferco Products Inc. and submitted to your government, sir.

Within this document, page 11 of section 3, this document would indicate that the quality of water required would be approximately 15,000 cubic metres per day. Does that, sir, correspond with what you've just told me in saying that there's going to be 2 million imperial gallons per day?

**Hon. Mr. Martens:** — Mr. Chairman, if it's okay with the member opposite we will submit those exact numbers. We're having a little bit of difficulty translating gallons to cubic feet per second to decametres here and we will be prepared to provide those answers to you.

**Mr. Calvert:** — Well, Mr. Minister, what I need to know this morning is which figure is accurate? The material that the Minister of the Environment provided for this House, in the initial proposals the project called for somewhere in the neighbourhood of 10,000 cubic metres of water on a daily basis. Then later in those same documents, we find a proposal that talks about 14,000 cubic metres on a daily basis.

In this, which I believe is the final proposal dated August 10, 1989, I see a figure of 15,000 cubic metres per day. Mr. Minister, can you just confirm for the committee what is the actual water demand? Is this the actual figure? Is this the correct figure that Sask Water is being asked to supply to the Cargill fertilizer plant?

**Hon. Mr. Martens:** — Mr. Chairman, one of the things that we have to think about when we're discussing this, we have a minimum and a maximum volume of water that will be consumed. Our design suggestion from the

Saskatchewan fertilizer plant has been that it is going to be 720 million gallons per year at maximum. That's the maximum volume intake they will have. So as they reduce production they will reduce the volume of water required.

**Mr. Calvert:** — Mr. Minister, I want to know if the figure that was put before this House through this project is the accurate figure. Now this is the maximum demand figure — 15,000 cubic metres per day. Is that the figure that Sask Water is working with? Sir, have you seen this report? Have you read it? Is this the figure that Sask Water is working with? That's what I need to know.

**Hon. Mr. Martens:** — We're putting 2 million gallons a day maximum into the Saskatchewan fertilizer plant.

**Mr. Calvert:** — Mr. Minister, does 2 million gallons a day translate into something like 18,000 — 18,000 cubic metres?

**Hon. Mr. Martens:** — Mr. Chairman, we have indicated to the committee that the expectation by the Saskatchewan fertilizer plant on the delivery and the design of water from us will be 2 million gallons a day. That's the maximum that they will be taking in on raw water.

**Mr. Calvert:** — Well, Mr. Minister, I think I'm asking a very straightforward question. You have your officials with you. I need to know what that means in cubic metres.

**An Hon. Member:** — Well figure it out yourself.

**Mr. Calvert:** — No. Mr. Minister, what does that mean in cubic metres so that we can talk apples and apples. We're dealing with a report here, a proposal that deals with cubic metres. Now please, Mr. Minister, translate the figure into cubic metres for us.

(1100)

**Hon. Mr. Martens:** — Mr. Chairman, I'm going to tell the committee again that I don't know of the report that he's reading from. However, we have been asked by the fertilizer company, Saskatchewan fertilizer plant, to provide for them 2 million gallons per day. That's what we've been asked to provide. Now if you want to convert that, you can go and convert it.

**Mr. Calvert:** — Well, Mr. Minister, I think I heard you say that you have never seen this document. Now that shocks me, Mr. Minister. Obviously a major component of this project is water — a major component of this project is water.

The person the corporation charged with delivering that water, the corporation that has agreed to deliver that water at a cost of 4.5 million to the taxpayers of Saskatchewan in construction and development, is the water corporation. And you, the minister responsible, have not even seen the document, the project proposal from the Cargill fertilizer plant. Mr. Minister, that's a shocking admission on your part.

Mr. Minister, then have you done these calculations? Given that you've admitted to the House this morning it will cost Saskatchewan Water Corporation somewhere in the neighbourhood of \$4.5 million to install this pipeline, given that you'll be charging \$1.56 per thousand imperial gallons delivered to the project, how long, Mr. Minister, do you expect it will take to pay this project off?

**Hon. Mr. Martens:** — Mr. Chairman, the taxpayer is not going to be carrying any of the cost of this. The project is likely to be breaking even in the second year and will have paid for itself in 10.

**Mr. Calvert:** — Mr. Minister, you're saying that this project at delivering raw water at \$1.56 per thousand square metres will pay for itself at \$4.5 million — the \$4.5 million project will pay for itself in 10 years. I want to just confirm what you've just said.

**Hon. Mr. Martens:** — The calculation of the industrial water use is on the basis of a thousand gallons, and that will pay for itself in 10 years.

**Mr. Calvert:** — Mr. Minister, how are you going to pay for the development of this project? Will you be borrowing the funds to do this project?

**Hon. Mr. Martens:** — Yes.

**Mr. Calvert:** — And, Mr. Minister, in your calculations then, it's going to be paid out in 10 years. Have you taken into account the interest charges on \$4.5 million?

**Hon. Mr. Martens:** — Yes.

**Mr. Calvert:** — Mr. Minister, will you confirm that Sask Water has been asked to provide, you say, 2 million gallons a day. My calculation, Mr. Minister, since you wouldn't do it, shows that that's more accurately 9,090 cubic metres — 9,090 cubic metres. That's what you've been asked to deliver; that's what you've said to the House today. And yet within the body of this project report, it's indicated that the plant will require some 15,000 cubic metres per day. How do you explain that difference, Mr. Minister?

**Hon. Mr. Martens:** — In order for me to interpret the numbers, I would have to see whether that was a future expansion that the plant wanted to have or whether it was for the initial start-up, and it all relates to that volume of water provided. We have been asked to provide a capacity for 2 million gallons per day.

**Mr. Calvert:** — Well, Mr. Minister, since you haven't seen this document or taken the time or trouble to read it, let me just quote it to you. On page 11 in section 3, "Water Supply, Storage, and Treatment:"

Raw water from Buffalo Pound Lake will be delivered directly to the site by a pipeline to be constructed by Saskatchewan Water Corporation (Sask Water). The quantity of water required will be approximately 15,000 cubic metres per day at the maximum with the quality being directly related to Buffalo Pound Lake. Saferco will treat the raw water on site.

That's a quote. I don't think that can be interpreted in any other way as to say that the maximum demand during the normal operation of the plant will be 15,000 cubic metres per day. You're telling the House today that you've only been asked to deliver 2 million imperial gallons. And it simply doesn't jibe, Mr. Minister. So can you explain the difference?

**Hon. Mr. Martens:** — What they're likely talking about is absolute peak production and when we design a project like this, we design it at an average volume pressure, all of the components taken into place on an average basis so that we can supply to the Saskatchewan fertilizer plant the \$2 million a day. And to be cost-effective you provide the . . . on a curve, you provide it on a basis where it's going to give you the most cost-effective way of delivering the water. If later on they expand the plant to include a higher production than they are anticipating on an average basis, it may in fact hit that volume.

**Mr. Calvert:** — Well, Mr. Minister, if we take your figure of 2 million gallons a day, roughly 9,100 cubic metres a day or if I take the figure from the proposal document, of 15,000 cubic metres a day, no matter which figure we take we are talking about a substantial, a substantial quantity of water being taken from Buffalo Pound Lake for this project.

Mr. Minister, you will know, or perhaps you don't, but I'll tell you that the average daily consumption for the whole city of Moose Jaw, the daily consumption for the whole city of Moose Jaw is 20,391 cubic metres. If we use your figure this morning, you are being asked to deliver to the fertilizer plant, 50 per cent of the total consumption of the city of Moose Jaw on the same day. If we use the figure included in the proposal submitted, that's in fact three-quarters of the total consumption of the city of Moose Jaw on a given day.

Mr. Minister, I understand that Sask Water conducted some study related to this volume of water coming out of the Buffalo Pound Lake in the Qu'Appelle system regarding these volumes. It's indicated in the report here that the study concluded that this is an acceptable draw from the Qu'Appelle system in the Buffalo Pound Lake. Mr. Minister, would you table for the committee this morning that study?

**Hon. Mr. Martens:** — We can, Mr. Chairman, provide that internal review that we had, the information that we had, we can provide that to you. We haven't got it here with us today. It dealt with the source as Diefenbaker Lake and the volumes of water that could be provided through Buffalo Pound, the impact it would have on the flow below the dam, the volume in the Qu'Appelle system, and all of those factors. And we can provide that to you. We haven't got it with us here today.

**Mr. Calvert:** — Mr. Minister, how soon might I expect to receive that information?

**Hon. Mr. Martens:** — This information was provided in an open house we had in Moose Jaw for people to come and view this, and we would be able to provide you with that probably next week some time.



**Mr. Calvert:** — Mr. Minister, I'm not asking for the results of your study. I would like the documentation behind the study, the entire documentation. Is that . . . I hope that's what you're committing to provide, not simply the result of the study. I would like to see the documentation that goes around the study.

**Hon. Mr. Martens:** — Mr. Chairman, this internal review . . . we just went through the various aspects, as I indicated, to draw the information together. And we will provide the internal review document that we set out.

The allocation of Diefenbaker Lake is only allocated between 45 and 50 per cent, so there's high volumes of water left to . . . or open for allocations from Diefenbaker Lake, and so it's not really going to cause any serious problem there. And I think we have to take that into consideration.

But we will provide the review document that we put forward for you next week some time.

**Mr. Calvert:** — Thank you, Mr. Minister. Mr. Minister, in terms of waste water from the development, there have been, through the documents provided by the Minister of Environment, I see there has been several in the course of these discussions, several proposals for the waste water. What is the final proposal to deal with the waste water from the industrial process?

**Hon. Mr. Martens:** — The waste water component of the plant is not within the jurisdiction of Sask Water Corporation. That's a question you'll have to address to the Minister of Environment, and he will deal with that and its relationship to the plant.

**Mr. Calvert:** — Well, Mr. Minister, one of the initial proposals was to discharge the waste waters into the Moose Jaw River. Another of the proposals would have seen the waste water put in an underground aquifer. Are you saying that Sask Water has no concern or interest in this matter then?

**Hon. Mr. Martens:** — The review is made by the Department of Environment, and they will tell us the water quality and standard that has to be met. And when we get a chance to see that, we'll take a look at it. But we haven't been given that through the process yet.

(1115)

**Mr. Calvert:** — Mr. Minister, are you saying to the House this morning that when a proposal was before the Department of the Environment, a proposal that would have seen some of the waste water — and I don't believe that's the current proposal but it did exist in 1988 — that some of that water would find its way back into the Qu'Appelle system through the Moose Jaw River or into the underground aquifer.

Are you saying that the Department of the Environment did not consult with Saskatchewan Water Corporation who is charged with the management of water in our province when those proposals were being discussed? Are you saying that Sask Water never did any

investigation or study into those proposals?

**Hon. Mr. Martens:** — Mr. Chairman, we are charged with the responsibility of measuring the water, licensing the water, but we're not committed or it hasn't been given to us, to manage the quality of the water. And therefore the Department of Environment does that and that's what their responsibility is.

**Mr. Calvert:** — Mr. Minister, this morning in question period it was revealed that the Millar Western development has now changed its plan, and rather than taking water from the aquifer, will be taking water from the Meadow Lake. Did the water corporation, has the water corporation done any study in regard to taking water from the Meadow Lake to the Millar Western?

**Hon. Mr. Martens:** — Mr. Chairman, the Millar Western asked us to do a review of the Meadow Lake, and we have assessed the hydrology of the lake and the area and our review has shown that there's no adverse impact on the lake.

**Mr. Calvert:** — Then, one, Mr. Minister, will you table for the committee, will you provide to the committee the documentation around that review, as you have agreed to table the information regarding the review for the Cargill plant? Will you today or as soon as possible table that review regarding the use of the Meadow Lake for Millar Western?

And secondly, Mr. Minister, do you anticipate that Sask Water will be engaged in providing any kind of a pipeline facility in the Millar Western example?

**Hon. Mr. Martens:** — We can provide the information in the review to you next week too. And your second question was whether we had been asked to provide facilities to move water. That hasn't come to that point yet and we have not been asked yet.

**Mr. Calvert:** — Mr. Minister, in the Millar Western example, would you be willing, if asked, to provide a pipeline or whatever is required to deliver water to that plant?

**Hon. Mr. Martens:** — Mr. Chairman, we will provide if we're asked. The kinds of things that happen in an industrial water use is that they become very effective in paying themselves off and provide a positive cash flow for the water corporation.

**Mr. Calvert:** — Well it's obvious, Mr. Minister, that your government needs some examples of positive cash flows, and that's for sure.

Mr. Minister, I'd like to spend just a few minutes on another cash flow that isn't quite so positive and that regards to the payments committed by the federal government.

Regarding the Rafferty project, it's my understanding that \$10 million has been promised by the federal government to your government. Mr. Minister, have you received any of that federal money promised in regard to the Rafferty project and the withdrawal of the licence?

**Hon. Mr. Martens:** — Mr. Chairman, we have received three payments from the federal government and they have all been on schedule.

**Mr. Calvert:** — Mr. Minister, how much did those payments amount to?

**Hon. Mr. Martens:** — They were \$1 million each.

**Mr. Calvert:** — Mr. Minister, what have you done or what is to be done? What are you doing with that \$3 million, Mr. Minister?

**Hon. Mr. Martens:** — Mr. Chairman, it's being held by the water corporation in trust and it's been invested in deposit.

**Mr. Calvert:** — Mr. Minister, what is the ultimate use of these funds that you have received from the federal government, and hopefully will receive the other \$7 million from the feds? What is your intention, the long-term intention for this money?

**Hon. Mr. Martens:** — It is our intention, Mr. Chairman, to hold the volume of dollars until a decision by cabinet has been finalized and the project payments have been made as per scheduled.

**Mr. Calvert:** — Well, Mr. Minister, what options is your cabinet discussing? What options are before you for this money?

**Hon. Mr. Martens:** — Number one, we have not been in completion of the agreement because the money has not all been brought forward. When the money is brought forward we will then make a decision about what we're going to be doing with it.

**Mr. Calvert:** — Mr. Minister, it's not news that this money is coming — \$3 million already has arrived and you've banked it, you've invested it. Are you saying to the House this morning that you really don't have any plans for this money at this point? Mr. Minister, we'd like to know what's going to happen to that \$10 million.

**Hon. Mr. Martens:** — Mr. Chairman, the cabinet will make the decision when the project is completed and when the money is all in. Then cabinet will make a decision about where the money will go.

**Mr. Calvert:** — Mr. Minister, the statutory funding for the Saskatchewan Water Corporation this year is cut by more than 50 per cent. I recognize that a major cut in that funding has to do with the well drilling program and I think I can accept your explanation there that the demand on that program is much lower.

But I have with me this morning, Mr. Minister, information that you provided to me regarding the farm dug-out pumping assistance program, for which I assume there is an ongoing and regular demand. The information that you provided to me indicates that you have jacked up the rates on the rental of pumps and equipment and pipeline very significantly in this last year for farmers and landowners in the province of Saskatchewan. Mr. Minister, can you explain to the farmers and landowners

in the province of Saskatchewan why this dramatic, dramatic increase in the rates for the dug-out pumping assistance program?

**Hon. Mr. Martens:** — Mr. Chairman, the rates had only modestly increased from 1980 to 1986, and they remained constant from '86 to '89. And during the '88 and '89 drought period, they were decreased by 50 per cent because of the demand and the sensitivity to the incomes of producers.

And so now what we're doing — and you mentioned this before about cash flow, that we needed to address some of these things — and that is what we did in order to bring it back up to standard. We brought it up to a reasonable rate to return back on the investment some of the money that we put into the pumps and the pipelines.

**Mr. Calvert:** — Now, Mr. Minister, you've said that the reasons that the costs were kept down were in a sense twofold — because of the demand during the drought times and because of the farm income situation.

Now, Mr. Minister, the drought that we experienced in the past few years may be alleviated somewhat, but I tell you, the income situation on the family farm in Saskatchewan is not, and you know that, sir. You don't need me to tell you that.

Farmers across Saskatchewan have asked, why in the world is our water corporation doing this to us at this time in what are obviously difficult times? When farmers across the province have seen their governments, provincial and federal, cutting any number of programs that have been of value and support to the farmers of our province, along comes Sask Water — and not a large program, but yet another cut that directly affects the family farm in Saskatchewan.

Mr. Minister, how can you justify to the family farmers of Saskatchewan in these times when you know well, sir, the price of grain in the province, when you know what the commodity prices are like, how can you justify in these times this kind of an increase on an extremely important and valuable service to farmers and landowners in Saskatchewan?

**Hon. Mr. Martens:** — Mr. Chairman, when we were looking at 1988 and 1989 as it related to the drought in the province. And a lot of the dug-out pumping is because of drought. We took a serious look at whether we pay for an interim measure that would have an investment focus for the people who were going to be prepared to make an investment of moneys into a permanent water supply. And we put \$23 million in two years into putting permanent water supply in rural Saskatchewan, and that served 23,000 people.

Now the volume of that is going to reflect in the volume of use in the well pumping or the dug-out pumping program, and it's going to have a significant impact. And we did that. And I suspect because of more rain this year that we're going to have a lot less of that being used. But I submit that I think we've dealt fairly with the producers in relation to the pumping and the drought assistance that we provided to them.

**Mr. Calvert:** — Mr. Minister, in the Crown corporation review of the water corporation, I left you that day with a number of questions and asked for your written response to those questions. Mr. Minister, how soon might I expect a written response to those questions which I asked in the water corporation committee?

**Hon. Mr. Martens:** — Mr. Chairman, we've drafted some of the responses already and we probably can provide them to you next week, along with the other review material that we've suggested.

**Mr. Calvert:** — I would appreciate that very much, Mr. Minister. Then one final and relatively specific question.

Mr. Minister, I had the opportunity earlier this week to visit in the south and west corner of our province. And I'm aware that in the Val Marie and west Val Marie irrigation projects, the farmers down there have reseeded several hundreds acres of land into hay. Given that the land is perhaps better suited for hay, I think the local farmers agree to that and indeed Sask Water has supported that move.

But it's my understanding that this spring, Mr. Minister, some of those farmers have been forced to take water allocations and to irrigate this newly seeded land, in spite of the fact that it maybe already too wet. Sask Water, I understand, has forced those local farmers to do this, ignoring the objections that they've raised. Mr. Minister, do you have information about this situation, and can you explain why Sask Water would be doing this in that west Val Marie irrigation area?

(1130)

**Hon. Mr. Martens:** — I guess, Mr. Chairman, I'm not sure exactly what you mean because I've been there. I'm not too far away from there, and I've not heard anything about this. Number one, I don't think that we run that water there because I think that's a PFRA (Prairie Farm Rehabilitation Administration) project. And number two, we never force people to take water that they don't want to have.

So they might have been putting water on ground down there that they had just seeded to grass in order to make it germinate because it was not wet enough. And you have to understand one other thing about the Val Marie flats is that they need a lot more water than normal because of the high clay content, and they will need to perhaps do that.

Now we haven't heard anything from producers, but we would be prepared to investigate the observations you've made.

**Mr. Calvert:** — Mr. Minister, I'm happy to hear you say that and I would just ask your commitment that you would be in touch with those landowners in that area to discuss this concern with them and to do that as immediately as possible.

Mr. Minister, with that I think we can move onto the votes.

Item 1 agreed to.

Items 2 to 4 inclusive agreed to.

Vote 50 agreed to.

**Supplementary Estimates 1990  
Consolidated Fund Budgetary Expenditure  
Saskatchewan Water Corporation  
Ordinary Expenditure — Vote 50**

Item 1 agreed to.

Vote 50 agreed to.

**Consolidated Funds Loans, Advances and Investments  
Saskatchewan Water Corporation  
Vote 140**

Items 1 and 2 statutory.

**Mr. Chairman:** — I would like to thank the minister and his officials.

**Mr. Calvert:** — Mr. Chairman, I would also like to thank the minister and his officials who are here in the House today, and through those officials who are here today to thank all of those who are working with and for Sask Water all across the province of Saskatchewan. They provide a valuable service to the people of Saskatchewan. And if I may just add, Mr. Minister, those Saskatchewan Water Corporation employees who are located in the community that I'm privileged to represent, do indeed play an active role in our community and we welcome each one of them and thank them for their contribution to the city of Moose Jaw.

**Hon. Mr. Martens:** — Mr. Chairman, I would also like to thank my officials that are here, and also those people who work for Sask Water. I believe, and honestly believe this, that they do an excellent job throughout the province.

The committee reported progress.

**SECOND READINGS**

**Bill No. 12 — An Act to amend The Municipal Hail Insurance Act**

**Hon. Mr. Klein:** — Thank you, Mr. Speaker. In Bill 12 I am proposing to amend The Municipal Hail Insurance Act. Copies of explanatory notes to this Bill outlining and explaining the proposed amendments, have been distributed to all members.

The Municipal Hail Insurance Act first came into force in 1917. Since that time rural municipalities wishing to participate in hail insurance have owned, operated, and controlled their own organization, the Saskatchewan Municipal Hail Insurance Association. The Act regulates the terms and conditions under which municipalities may provide hail insurance. The association writes about 40 per cent of the acres insured in Saskatchewan.

Mr. Speaker, these amendments are mainly in response to the association's requests for changes. Hon. members will appreciate the importance of providing greater protection for farmers who insure through the Saskatchewan Municipal Hail Insurance Association, and whatever can be done must be done to protect our farmers at this most critical time in the history of agriculture in our province.

Mr. Speaker, Saskatchewan farmers will be better protected by the new Act in four important respects: firstly, through increased coverage to be more in line with farmers' actual production costs. And I'm glad that the member from the opposition is paying attention to his rural constituency. Secondly, it broadens the definition of insurable crops to include canola, alfalfa, and other field crops which it may be necessary to include. Thirdly, by allowing specified crops to be exempt from assessment where coverage is already sufficient or not required. And finally, by extending the period of indemnity for loss or damage as a result of fire, the crops which are still in the field beyond the normal cut-off for hail loss coverage.

Mr. Speaker, these changes mean enhanced protection, more realistic indemnity coverage for Saskatchewan farmers, and it's one more example of the government's unqualified support for our embattled agricultural sector. The proposed amendments do not affect the civil rights of Saskatchewan citizens, nor will additional administrative or other public costs be required.

Mr. Speaker, I now move second reading of Bill No. 12, An Act to amend The Municipal Hail Insurance Act, and I invite all hon. members to support these amendments.

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

**Mr. Upshall:** — Thank you, Mr. Speaker. Mr. Speaker, I'd just like to say a few words on this Bill in regards to how it affects . . . how this government has been affecting agriculture in the last few years.

Although there have been many, many minor changes and some small improvements, as along the lines of this Bill, I would just like to say that, you know, this government came up with about 80 cents an acre for a drought payment for Saskatchewan farmers after many, many months of dragging out the programs. And a Bill like this, when the minister stands up and says how important it is to farmers and all the important things farmers have benefitted from from this government, it's a bit hypocritical because we have seen the number of foreclosures.

And I would just like to ask the government, you know, there are many, many things that farmers are looking for, and one is leadership; one is long-term stability.

Now Bills like this, although they help to some degree with, you know, marginally in changing names and there might be some minor improvements, the main thrust of the agriculture in Saskatchewan is the fact that there is no long-term stability or debt restructuring. And I'd just like to say to the government that I would hope that they would get their act together. They can stand up and say how great they're doing by bringing in legislation, but the

fact is, the most important part, the most functional part of agriculture is stability that is needed in rural Saskatchewan. And that's what this government is simply not providing.

So, Mr. Speaker, although I have no problems with this Bill, I would just simply urge the government to reconsider their approach of deregulation, privatization, and actually eliminating population in rural Saskatchewan. There's 64 per cent of the towns and villages have lost populations last year, and that's indicative of the policies and the approach this government has taken.

So, Mr. Speaker, I have no conflict with the Bill, but I would simply encourage the government to change its wrong-headed policies with regard to agriculture. So I'll be willing at this time to let the Bill proceed.

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

### **Bill No. 30 — An Act respecting the Saskatchewan Heritage Foundation**

**Hon. Mrs. Smith:** — Mr. Speaker, the purpose of Bill No. 30 today is to establish a Saskatchewan Heritage Foundation, to assist the preservation and development of Saskatchewan's heritage resources and to build the province's heritage industry.

The concept of a Saskatchewan Heritage Foundation, Mr. Speaker, was identified during a very lengthy public consultation process held over the past 18 months. The process ended in the publication of the Heritage 2000 strategy paper which was released at the Saskatchewan heritage conference in February of this year. This strategy paper outlines, Mr. Speaker, the direction that the government wishes to proceed in the heritage field and also identifies the Saskatchewan Heritage Foundation as a very important component in protecting and developing the province's heritage.

Mr. Speaker, while governments at all levels work to protect and to develop their heritage, it is becoming evident that significant new sources of investment and revenue generation must be found in order to develop the heritage resources. A major vehicle to create these opportunities is the Saskatchewan Heritage Foundation, similar to those that are now in existence in British Columbia, Alberta, and Ontario. There they have proven to be very effective economic instruments for managing and developing the resources, and also, Mr. Speaker, for stimulating heritage tourism. A Saskatchewan foundation will provide a bridge between the activities of government, the private sector in developing our province's heritage at the community level.

(1145)

Mr. Speaker, there is a major role for communities to play in preserving this heritage and this is where the strength of the foundation lies. By working with communities the foundation can provide support through the co-operative efforts of corporate sponsors and local initiative and government in order to preserve and to develop

Saskatchewan's heritage.

Mr. Speaker, during the 1970s and the 1980s the emphasis of heritage programs in Saskatchewan has been on conservation and regulation to preserve our heritage. In the 1990s Saskatchewan can now take a major initiative to develop those heritage resources which will benefit the province and its communities, both socially and economically.

Reserved and developed sites, both at the provincial and local level, which tell Saskatchewan's story and symbolize its accomplishments, will increase the province's visibility in the global market-place. It will attract visitors, Mr. Speaker, from neighbouring provinces and the rest of the world. And it will also help provide the citizens of Saskatchewan with a renewed and a strengthened sense of provincial pride.

With those few comments, Mr. Speaker, I move second reading of Bill No. 30, The Saskatchewan Heritage Foundation Act.

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

**Mr. Kowalsky:** — Thank you, Mr. Speaker. I would like to make a few remarks with respect to this Bill. And I would like to on the outset endorse the concept as outlined by the minister, and I would like to flag a couple of concerns that we have about the Bill and suggest a couple of improvements to it.

Mr. Speaker, I would say that we are endorsing the principle of the Bill because of what it is set out to do, as indicated in the last few moments by the minister in charge. The minister indicated that there have been successful models in Alberta and B.C., and I would say that anybody that's been to the British Isles has also . . . would bring back the concept and has noticed how this concept has been used in the British Isles with the National Trust that has been established to do a very similar thing on a much larger scale.

So I think it is quite well founded to put a foundation like this into place to be sure that it . . . we are in this province laying the foundation for something that could eventually become our national trust here in Canada.

As the minister mentioned, there's many ways of justifying the establishment of such a foundation. It can be used as a teaching tool, it can be used as an attraction for tourism, certainly is something that helps us develop our pride in our province because it is something that we can use to preserve our culture. It certainly can be used as something that'll draw business as well here to Saskatchewan.

In order to do all that and to do it properly, I would think that we would want a foundation of this type to be independent. Mr. Speaker, I would like to bring to the attention of the House and the minister and the general public, that there is already a vehicle in place to do exactly all of these things that I've mentioned and that the minister has mentioned. And all of that can already be done under the existing Heritage Property Act, the difference being that under the existing Heritage Property

Act the minister has all the powers to do these things, to purchase heritage properties and to set up heritage properties; whereas under this Bill, it is given to a foundation which would be independent, and I can see . . . which could be independent.

And I can see the advantage of having a foundation which would be independent, particularly when it comes to receiving bequeaths. There may be people who would prefer to donate heritage properties or have heritage properties managed by government, directly under the minister, and there may be others who would prefer to have it managed by a foundation which is independent of government.

So my concern then rests with some of the provisions in the Act, which prevent this Board from actually becoming and being completely at arm's length and completely independent. And I would ask the minister, and perhaps we could have a conversation some time, whether she would consider amending this legislation so that the board would be completely at arm's length from the government. That way we would have two vehicles in the province of Saskatchewan — one directly under the purview of the minister and one completely at arm's length.

Now let me relate how this Act now prevents that board from being completely independent. In the Act there is provision for appointment of the board. That board is to be appointed directly by cabinet. There is no other provision as to who the nomination should come from or whether it should be broad based, and therefore any board that's appointed will be responsible to cabinet directly, as opposed to being responsible to the people of Saskatchewan through the agencies that are now in existence that have an interest in preserving our heritage properties.

I would think that it would be an excellent move on the part of the minister to put right into legislation, that nominations be made to such a board by organizations which have been quite well established in Saskatchewan and who would have an interest in this.

There is another provision in the Act here that gives the treasury board an override on this particular board and forces this board to abide by any directive pertaining to financial matters that the treasury board might ask for. Once again, this provision makes this board responsible to cabinet — or through the treasury board, that arm of the cabinet — rather than being responsible to the board itself, rather than having autonomy.

Let me flag some of the problems that can occur if this is not done. If the minister appoints a board without any powers of independence, then this board can be . . . it has a possibility of being used, first of all, simply as a buffer. If there are tricky decisions to make as to which property should be purchased or who should get funding through the board, the minister might want to direct . . . Instead of the minister taking the responsibility or the flak for the decision, the board is used to absorb that.

Now that might be comfortable for the minister, but it's not necessarily comfortable and it's not comforting to us

as a government . . .

**An Hon. Member:** — As a legislative body.

**Mr. Kowalsky:** — As a legislative body here in Saskatchewan and as a people in Saskatchewan. Thank you to my colleague from Moose Jaw.

The corporation has the power to borrow money just by virtue of it being established as a corporation. I would hate to see the government set up a system where they could sell existing properties of the government to gain cash flow to this particular board, which could conceivably happen under the way it's set up. I would think that those checks and balances should be put into place so that that could never happen by just a government decree.

There should be an independence to that board that would prevent any of that kind of thing happening. See, there is a provision for the funnelling of, or the directing — I'll reword that — there's a provision that this board can accept moneys from the lottery funds. There is also provision in this Act that the treasury board can direct moneys coming to this board to be diverted or placed in any particular place, could even be paid back to the government.

Again, there's no check and balance in there, and the only balance that I can see that can be put in, and the most secure balance that I can see that can be put in to prevent any of that kind of thing happening, is to make sure that that board is completely at arm's length. By putting the board completely at arm's length, not by direct appointment of anybody the minister chooses, would erase any suspicion of appointments being done on a patronage basis where the people that go in are actually party members as opposed to somebody that's directly interested in the heritage properties. We wouldn't want to see that happen.

I want a board in particular that's — I would flag this from our own experience of the last two years — I want a board that's independent, that's prepared to speak up for the foundation against government policy when necessary. We have had experience this year of a couple of boards that have been appointed directly by the government in the cultural field, and I'm thinking of a board — the Western Development Museum Board and the Arts Board, Saskatchewan Arts Board — which have had to cut their funding because of government mismanagement. They have had to cut their programs because of government mismanagement and where the government has cut funding to the particular board.

If that board had complete independence, it would not be hesitant whatsoever in putting a lot of pressure on the government and doing it publicly, which is what a board of that type should be able to do. But if you are shackled by an appointment directly from the government without any other scrutiny, and shackled by directives from the treasury board, then you cannot be independent. So, Mr. Speaker, I thank you for the opportunity to make my remarks on this particular Bill. We are going to let this Bill proceed through because I do believe it has some . . . there are some positive things that can come of it. And I

would like to be able to speak to the minister and ask her to consider making a couple of amendments or considering a couple of amendments to this Bill to make it 100 per cent rather than just a 75 per cent Bill. Thank you.

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

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

### **Bill No. 40 — An Act to amend The Dangerous Goods Transportation Act**

**Hon. Mr. Petersen:** — Thank you, Mr. Speaker. I rise today to move second reading of amendments to The Dangerous Goods Transportation Act and I want to outline for the hon. member some of the background to this Bill.

In the 1980s governments enacted laws to regulated the movement of dangerous goods. These laws set out requirements for shipments of dangerous goods to carry appropriate labels and placards. In addition, documentation identifying the type and amount of the good was to accompany all dangerous goods shipments. Safety training courses are mandatory for individuals involved in the handling or transportation of dangerous goods.

Most of the responsibility for the regulation of dangerous goods transportation rests with the federal government. The federal government controls all movements of dangerous goods by all modes except road. In 1985 Saskatchewan enacted its own law to regulate actual on-highway movement of dangerous goods. In order to make the regulation of on-highway shipments as uniform as possible we adopted the federal regulations by way of reference.

We left the regulation of the shippers and receivers to the federal government. We hope to sign formal agreements with the federal government to divide the day-to-day responsibilities for inspecting dangerous-goods shippers and receivers; however, the federal government was precluded from signing an agreement to cover our interprovincial shippers as it would have offended the equal application sections of the Charter of Rights and Freedoms.

(1200)

As a result, federal regulations are not being applied to shippers of dangerous goods solely within Saskatchewan. This is as a result of last year Ontario court rulings which struck down federal regulation of many interprovincial shippers. The decisions indicated the legislation did not apply to a company using its own trucks. Transport Canada has advised they can only regulate shippers who use common carriers. The federal government is working on changes to their law to cover all shippers, but it will take up to two years for this to occur. Even then they may have legal difficulties extending their jurisdiction to shippers whose dangerous goods do not leave the province.

The Bill before us fills the gap in dangerous-goods

coverage created by the court decisions and the absence of administrative agreements. The Bill extends the application of transportation of dangerous goods Act to shippers of dangerous goods in Saskatchewan. I'd be pleased to answer members' questions in detail when we are in committee.

Mr. Speaker, I move second reading of an Act to amend The Dangerous Goods Transportation Act.

**Mr. Lingenfelter:** — Mr. Speaker, I rise only to adjourn the debate. This Bill was just very recently tabled in the House — I think yesterday or the day before — but I want my colleague, the minister in charge of Highways, who'll be asking pointed questions and maybe speaking to it in second reading, to have an opportunity to review the Bill. So I would ask for leave to adjourn.

Debate adjourned.

## COMMITTEE OF THE WHOLE

### Bill No. 31 — An Act to amend The Urban Municipality Act, 1984

**Mr. Chairman:** — Would the minister care to introduce her officials.

**Hon. Mrs. Smith:** — Thank you. Mr. Chairman. Today I have with me the deputy minister of Human Resources, Gerry Meier, who is secretary of the Women's Secretariat; I have behind him, Norma Reynolds, our senior policy analyst; and beside our deputy minister is Pat More, the chief financial advisor. Joan Peterson, the director, will in all likelihood be joining us later.

Mr. Chairman, it is our mistake. We are not into the estimates for the secretariat. I will bring in the other officials.

**Mr. Chairman:** — Would the minister care to introduce her officials to us please?

**Hon. Mrs. Smith:** — Thank you, Mr. Chairman. I have with me the assistant deputy of the Department of Urban Affairs, Mr. Keith Schneider, and behind him I have Mr. Jim Anderson.

#### Clause 1

**Mr. Van Mulligen:** — Thank you, Mr. Chairman. Madam Minister, the other day in discussion on second reading, **Hansard** shows an hon. member interjecting during the debates saying that, in reference to the Bill, "It has nothing to do with shopping." Can I ask you what prompted this Bill?

**Hon. Mrs. Smith:** — Mr. Chairman, as I recall the discussion between the two members and the issue that came up, I think what we were discussing that day as I recall was second reading, and it had to do with by-law votes and petitions. I think that was the point to be made by the hon. member from Regina South. And I think it was a very valid point. Any petitions can be on various items not necessarily store hours.

Having said that, what has brought us to this point today, in looking at this legislation, is in fact the petitions that are now before Regina city council and the vote to be taken that arose out of the store hour situation. So I guess in summary, Mr. Chairman, I think both members were right and I didn't see it as a big point of argument at all.

**Mr. Van Mulligen:** — Well neither did I, Madam Minister, but I did want to get that clear because I thought for a sec here that we were discussing different Bills.

In your explanation you indicate that the amendments will enable a council to structure all the conflicting by-laws on a single ballot. And the emphasis here is on enabling a council to structure the conflicting ballots. Alternatively, as I understand it, council can continue to use an existing provision of The Urban Municipality Act which allows a council to apply to the court for an order to more clearly express the intent of petitioners.

So on the one hand, if there's a conflict in by-laws, a council can structure the ballots; on the other hand, if there's some confusion about the wording of a petition, then the councils shall go to the courts if they feel that a by-law needs clarification.

And the question that I have is why wouldn't you be consistent in this matter. That is to say that if a council wants to structure by-laws, why not have them go to the courts for that as well?

**Hon. Mrs. Smith:** — Well, Mr. Chairman, I'm not sure, and I would think that the member, having sat on Regina city council, would want greater flexibility than simply putting everything to the court. I mean after all, you as an elected councilman or alderman in a responsible position of local government, surely to goodness should have the leeway to be making some decisions.

Now the court, when it comes to the wording of some petitions or by-laws, may very well be useful for a council. But to say that all of it should go to the court, I think takes away from the flexibility and does not recognize in fact the differences that councils may face at a variety of times on petitions before them. If it is a matter of interpretation of a petition that is unclear in its wording and it's one petition, you may think that the court is the best place to go for that.

In terms of this case, we looked at not being able to change the wording of the petition but simply allowing council to put a preliminary question if in fact there was going to be conflicting petitions that would arrive at that by-law, and you could conceivably end up with no vote . . . or no direction at all coming out of the vote.

So in fact what this does, it's not a matter of restructuring or changing the wording on the petitions, but it is a matter of letting council put a preliminary question up there that would in fact give direction on conflicting petitions.

**Mr. Van Mulligen:** — Well I indicated earlier that I'll support the Bill, but I did want to get some clarification of this issue because it seems to me, whether you're structuring ballots or whether you're seeking to clarify the intent of wording, both are designed to do the same thing,

and that is to clarify the choices for electors so that the electors will have a clear choice and that there is less doubt than there might have been on the final outcome of any ballot.

Whether it's a single ballot or whether it's a . . . that is to say a ballot with one question or a ballot that has a number of different questions on it and also a preliminary question, the intent is to clarify the choices for electors. And whether that's in wording or the structure of a ballot, both are intended to do the same thing.

And in the one case you're saying to the councils, well you should refer to the courts on the wording; in this case, you're saying you should go to the councils.

And I don't necessarily have any strong feelings on that, but I'm just wondering about the discrepancy in the two. I think one might reasonably argue that as with the wording of a ballot where it's seen necessary that a council should refer to the courts because a council may have a heavy investment in the existing order of things, the council, or a heavy political investment in the existing order of things . . . council has worked over years to structure things in a certain way; have a heavy emotional, a heavy time investment in the *status quo*.

This is now being challenged by a petition from a group of citizens. Obviously the intent of the legislation here is that maybe a council should refer to a third party if there's some confusion about the wording so as to make sure that there can be no sort of potential for conflict between a council's own political investment in the *status quo* and a challenge to the *status quo* as being posed by a petition from a number of citizens. It seems to me that the same points would apply to the matter of structuring a by-law. And that's why I'm raising the question.

Again, like I don't have any strong feelings on that, but I am trying to understand what seems to me to be a minor discrepancy now in the legislation.

**Hon. Mrs. Smith:** — I don't believe that there are in fact discrepancies. I think it's two different situations.

For example, the petitions that are now before Regina council, if you read them, are very clearly stated. There is no need to send them to court under the present legislation that talks about, when the council is of the opinion that a change in the wording of a petition received, would more clearly express the intent of the petitioners. I think the intent of the petitioners is very clear on each of those petitions. So going to court to clear them up would not be appropriate. They are clearly stated.

The issue before us today and before the Regina city council is the fact that they have three conflicting petitions that you, conceivably at the end of the day on the vote, come up with no clear direction to city council as to the by-law.

(1215)

**Mr. Van Mulligen:** — I guess we could debate this one for some time. A council may also, in their best interests, say that even though it may be apparent to some that there's a

conflict in by-laws being put to the electors that they don't perceive any such by-laws in their own interest, may decide that we're not going to structure the ballot in that way.

I mean, one could argue that. But I hear what you're saying, I hope that you hear what I'm saying and, again, I've said that I support the Bill and this side will support the Bill, but I simply raise the points.

The only other question I have today is: why has it taken you so long to come up with the legislation recognizing that the city of Regina had been going through very difficult discussions at their council level about how to deal with the matter of the conflicting by-laws they had; when would be the best time to conduct a vote, would it be this spring, would it be this fall. How should they deal with the outcome of the ballots and so on. It seems to me that you could have saved them a lot of time and trouble if you had signalled your intentions sometime sooner than this about yes, we're prepared to assist you with an amendment to the Act as the one that we're now discussing. Recognizing that, as I understand it, the amendments that we have before us are in large part are not a reinvention of the wheel but are amendments that are in place in other provinces and, therefore, it shouldn't have taken you six months to get this matter to the stage that it's at now.

**Hon. Mrs. Smith:** — The member is right, Mr. Chairman, it has been what seems like a long time, particularly for Regina city council that was trying to sort this out and knowing that they had to go to a vote. There are several reasons. You may debate the reasons; nevertheless, it's a reality of the situation.

I believe it was sometime early winter when this was first raised with me — towards the beginning of 1990 by the Mayor and others from Regina city council. And we had a very good discussion on it. At that point in time I said that I would look at the petition and the situation they were in and go back and review with the officials what was presently in legislation. However, I was not going to raise their hopes. I was of the mind that one should not second guess how the voters are going to react to any question put before them.

We also had within that review an opportunity to look at the question of petitions that could have been left off the vote. That in fact they were, for all technical reasons were not valid, whether it was that they didn't meet the 5 per cent or there was a couple of other technicalities. And we looked at that: what happens if they only have one petition if in fact there were two that didn't have to be on there.

I had some discussion with some other elected people outside of Regina council as to their views on petitions and what might fix the situation. And at that point I had indicated to Mr. Archer that my preference was to not bring in anything at this time, that I was going to hold on not making that judgement on how the voters would vote.

A short time after that it was raised with me again. And some papers were shown: what happens if you vote this way on this petition, what happens if you vote this way



and that way.

And so it was back to the discussion table not only with the officials, but with Mayor Archer. At that time I acknowledged that in fact it was going to probably be a problem, and in our discussions with the Department of Urban Affairs officials I had asked them to look at the alternatives or options to how this might be corrected so that in fact Regina city council wasn't left holding the bag in error and that the voters were not left having voted and wondering what they had voted for.

At that point, Urban Affairs officials went to work in consultation with some of the officials from Regina city hall, and recommendations were brought forth to my office, and the recommendation being that we draft some legislation. And at that point the member will know that I was gone for approximately four to five weeks and the matter was dealt with after my arrival back. I know that it put Regina city council in some short time lines but that is the situation as it happened.

Clause 1 agreed to.

Clauses 2 and 3 agreed to.

The committee agreed to report the Bill.

**Bill No. 32 — An Act to amend The Local Government Election Act**

Clauses 1 to 3 inclusive agreed to.

The committee agreed to report the Bill.

**THIRD READINGS**

**Bill No. 31 — An Act to amend The Urban Municipality Act, 1984**

**Hon. Mr. Hodgins:** — Mr. Speaker, I move that Bill No. 31 be now read a third time and passed under its title.

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

**Bill No. 32 — An Act to amend The Local Government Election Act**

**Hon. Mr. Hodgins:** — Mr. Speaker, I move that Bill No. 32, item no. 9, be now read a third time and passed under its title.

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

**COMMITTEE OF FINANCE**

**Consolidated Fund Budgetary Expenditure  
Women's Secretariat  
Ordinary Expenditure — Vote 41**

**Mr. Chairman:** — Would the minister introduce her officials.

**Hon. Mrs. Smith:** — Thank you, Mr. Chairman. With me

today is Gerry Meier, the deputy minister of human resources and secretary to the Women's Secretariat. Beside him is Pat More, the chief financial advisor. And immediately behind Mr. Meier is Norma Reynolds, our senior policy analyst.

**Item 1**

**Ms. Simard:** — Thank you very much, Mr. Chair. Well I'm glad to see that the government is involved in parity with respect to staff to the Women's Secretariat.

Mr. Chair, the point I wish to make this afternoon is the fact that this government has been silently reorganizing the functions in government that pertain to women and which served the interests of women since 1982. And in the process it has in effect been downgrading issues relating to women. And while they have been juggling positions back and forth between departments, they've lost a clear focus on the issues and problems facing women today. And we will be illustrating that as we go through the estimates on this particular area.

I would like to give a little bit of history as to what has happened to the Women's Secretariat over the years. And this was very aptly set out by the Saskatchewan Action Committee on the Status of Women recently, and I just want to use their documentation in order to put an analysis of the . . . or a statement of the historical facts with respect to the juggling that has gone back and forth with respect to this division, on the record.

In 1982, Mr. Chair, the women's division had 18 staff positions. When it was abolished and reorganized in 1983, two positions were lost and the rest of the branch was divided up. Two positions went to the labour standards branch, six positions went over to the Public Service Commission, and eight positions went to the women's services branch in advanced education and manpower.

In 1984 the Women's Secretariat was created. It had five staff positions — a director and four professional staff. In January 1986 the women's services branch of advanced education and manpower was transferred to the employment development agency. In April 1986 the women's secretariat amalgamated with the women's services branch and the revised women's secretariat had a staffing component of 13. In February '87 the women's secretariat moved into the Department of Human Resources, Labour and Employment. In April of the same year it lost four positions at roughly the same time. The employment equity branch within the Public Service Commission was abolished and five positions were lost.

(1230)

In July '87 the secretariat was renamed the women's directorate to reflect the changes that occurred. Between '82 and '87 the number of positions in government serving women's interest were reduced by half, from 18 to 9.

In its '89-90 budget, the directorate received a substantial budget cut and lost more staff. And in October '89 when the directorate once again became the Women's

Secretariat, the staffing component was 7.5 person-years. However as I understand — and the minister can clarify this — only six positions at the agency are presently filled.

Now I believe, Mr. Chair, that this very short history illustrates two things: a lack of commitment on the part of this government to women's issues in terms of human and financial resources, and an utter lack of continuity in policy direction. Because of all the shuffling that occurred, countless of dollars of public money have been spent simply on changing letterhead, Mr. Minister.

In 1982, Mr. Minister, the women's division had a budget cut — Mr. Chair, rather — the women's division had a budget cut of 800 . . . had a budget, I'm sorry, of \$886,400, and in 1990 the Women's Secretariat has only \$539,600. After eight years of Tory government, spending on women, Mr. Chair, is down by approximately 39 per cent. And I think that indicates that this government does not have a real commitment to women's issues and to matters that concern women.

And I believe that that's evidenced in the fact that we have, for example, no real policy with respect to the high, shockingly high rate of teen pregnancies in this province; no real policy with respect to the single-parent mothers who are heading families and who are having difficulty putting food on the table; no pay equity plan or any indication of a game plan with respect to pay equity, Mr. Chair, in this province. We see very poor conditions with respect to child care. And the list goes on and on.

And that's simply, Mr. Chair, because this government has had no real policy direction, no real initiatives to solve many of these problems, and simply has not made women's problems a priority.

Now I would like to ask the Madam Minister whether or not she can tell us what the department intends to do with its budget allotment this year.

**Hon. Mrs. Smith:** — Mr. Chairman, I have some appreciation for the hon. member's comments. I say that with caution. I think one has to take perhaps a deeper look at the history of women in this province as it relates in particular to government, government services, and the role that government plays regarding women.

The member has been fairly critical of the Women's Secretariat and where it is today, and I'm not sure if it's because she has not looked at the entire history where this started out and where it has moved to. I would like to state that prior to 1981, the women's bureau . . . and that's what we had, the hon. member from Saskatoon Fairview may well remember back in those days if he was deputy minister. In fact, it was established to enforce equal pay. That was its purpose, to enforce equal pay at the time that it was started. Later, maternity leave legislation I believe was added and came under that umbrella.

Now, Mr. Speaker, I think that as the movement goes and as society goes, that in fact followed what was happening in society and what the issues were that were facing women in terms of priorities at that time. In 1983, Mr. Chairman, the women's division in the Department of Labour in fact was reorganized. The member can say it

was shuffled here and there — it was reorganized. Because after a thorough review, and I think if the member were to be honest within herself, a lot of women including women that at one time were in the Saskatchewan action committee group and other women groups in the province had stated that they often felt isolated from the main stream of government policy, development, and decision making.

So we reviewed the matter in consultation with various people and some groups. And the question that I asked myself as a woman — at that time there was five in the Legislative Assembly; I believe five were on the government side at that time — do we want to keep this approach? Has it in fact served its purpose, and is the purpose now much broader than simply the issue of enforcement of equal pay or for that matter maternity leave? And I believe, Mr. Chairman, that the answer to that question, yes it is. It's a much deeper issue than simply equal pay and women's access to government, and all the other issues that have been put into women's issues, Mr. Speaker, is much more than equal pay or legislation on maternity leave.

So in looking at that review, Mr. Speaker, it was January 1, 1984, that the Women's Secretariat was established. And yes, it did not come with all the positions. I believe there was 16 positions in '82. In 1980 there were 18; by 1982 there were 16 positions in the Department of Labour, and I'm sure the member from Saskatoon would remember that too.

Those positions did not all go to the secretariat, Mr. Chairman. We took a look at what we wanted to set out to do, what the goal was, and to work within government. It became very clear, Mr. Chairman, that there was some antagonism. There were some brick walls up in government, for whatever reason as it related to women moving through the public service into middle management and more particularly into senior management. There was a problem, Mr. Chairman, with the number of women that were on boards and commissions. You know, when I came into this government in 1982 I found out to my amazement that there was only on boards and commissions, 9 per cent of the total boards and commissions in this province consisted of female — 9 per cent. Today, Mr. Chairman, it is almost 33 per cent in 1990.

Now how do we get so that we even get close to having a fair say? Nine per cent of the population of boards and commissions, Mr. Chairman, is not a lot; 33 per cent, it could be better — 40 per cent or 50. That equal balance, Mr. Chairman, is a worthwhile goal in fact to be pursuing.

But we looked at some of the issues. The one thing that was made clear in talking to various people, men and women in the civil service back then, Mr. Chairman, was that there was the perception that the women's directorate within the Department of Labour at that time was felt to play a very adversarial role in working with other government departments. In fact, Mr. Chairman, I would go so far to say there was not a whole lot of co-operation between many departments and the Department of Labour and the women's bureau when it was in the Department of Labour.

One of our goals in fact was to bring this out of the adversarial arena. Many of them felt that the women's bureau had become a watch-dog. As opposed to putting forth something very positive and something that everybody could come together on to discuss and have a common goal, it was felt to have a watch-dog approach. So all those factors, Mr. Chairman, were taken into consideration in looking at whether it remain the women's bureau in the Department of Labour or moving it into the secretariat.

The secretariat I think served its purpose in terms of facilitating within government departments and playing a fairly high profile role in getting departments to understand the issues that were directly of concern to women and also to men, to ensure that some changes took place.

I think in the beginning of the secretariat, that worked well, and I think of things like working with the Public Service Commission and putting into place some affirmative action programs in dealing with middle management and in fact senior management, the educational leave. You know, Mr. Chairman, why was it that if there were educational leaves to take place or there were seminars to go, there was not a lot of women that got to go to, for example, increasing your organizational skills at the administrative level. It might be something else — writing skills. Very seldom would it include anything to do with the budgetary process of government or what some would say the hard-line administrative functions. And of course women needed that experience in order to be able to get into that senior management area.

Along with working in the Public Service Commission, Mr. Chairman, we took a look at some of the issues, for example the violence against women, violence within families. We brought together for the first time the Department of Health, Department of Social Services, Education, in dealing with that issue along with the Department of Justice.

There was a multitude of responsibilities around government departments and also outside agencies such as law enforcement, the RCMP, health institutions, the emergency wings, the professionals that deal with them, transition houses, community groups — not only for the victims, Mr. Chairman, but also for those people that found themselves on the other end, counsellors.

Policy was developed in conjunction with institutions, outside agencies, and various departments. Now I don't know how the member from Regina Lakeview would approach in getting issues that impact on more than one department and recognizing the preventive side of it, which is where the issue of education came in, but that was the approach that we took.

And, Mr. Chairman, I believe it was relatively successful. I think today the work carries on and in fact you are seeing more and more of the initiative come from those people that deal directly with either the abused or the abuser. And that is as it should be, Mr. Chairman.

I think about the issue of education and I believe that that's where the emphasis must remain in dealing with women's equality. It is on education, Mr. Chairman. And only through education and that awareness level, including the formal educational opportunities that women can have, are they going to get to that point where indeed there is some pay equity and there are no more ghettos that women are working in and that the work that they do is recognized as valuable as the man working next to them.

(1245)

Mr. Chairman, when the secretariat was in place, there was another issue, as I recall, in getting various departments to work together, and it was on the issue of pensions. And along with the Department of Finance, the Department of Social Services, the senior citizens' advisory council, and others, the issue of elderly women and poverty . . . Mr. Speaker, up until that point, I believe there had been several years running where there had been no increase on the Saskatchewan supplement for seniors.

When you look at the payments of what we call Saskatchewan income supplement, Mr. Chairman, the statistics will show you that in fact the majority that collect that supplement are elderly women, single. We took a look at what happens in the future. We all live longer, ageing population, those kinds of issues, Mr. Chairman, and we took a look at women, say, from 40 to 55, a much different generation than what we see today. Many of them have been in the home for a very long period of time, no work skills, often are faced at the end of a long marriage, either separation or widowhood, no money, no way of supporting. And eventually they come to the basic pension, and that's where the issue of can we do better on those that are not in the work-force, do not have access to a government pension plan, civil service pension plan, teacher pension plan or whatever.

Granted there are more women in the work-force than there are home-makers. The home-makers make up, though, a fairly hefty . . . I think it's about 25 per cent of the female population. And that's considerable when you think that those are often the very women that in fact end up at an older age and in poverty.

We looked at the issue of the income of women, women that are not actively in the work-force. We looked at the women that are in fact maybe part-time clerical. Pay isn't particularly high; in fact, it's low, and no pension plans.

And so the pension plan came into being, Mr. Chairman, the first in Canada. And I might add for the benefit for this Legislative Assembly, it has had a great deal of interest from many provinces in looking at how they might address that very issue. That pension plan, Mr. Chairman, is not just for women. There are also men that are not in pension plans, don't necessarily have that opportunity. Low income can benefit with the government match.

So, Mr. Chairman, in terms of the approach of the secretariat, it has been one of facilitating; it has been one of bringing people together in a non-adversarial arena. And if the issue of equity for women is ever going to be

addressed, it will not be in an adversarial arena, but something much different.

And I believe the issues have moved along. I believe that the member from Moose Jaw North has no difficulty in terms of women's equality and women working along beside him. I can say the same thing with the member from Regina South. But I also know, in realistic terms, that there are still a lot of people around, Mr. Chairman. There is still some room to go, Mr. Chairman, until it's 100 per cent.

The upcoming activities over this next year with the secretariat, I will go over with the member. I have asked the secretariat some months ago to take a look and a thorough review of the situation in Ontario and Manitoba as it relates to pay equity. It's interesting to note that Manitoba is, I believe, having some difficulty with it, and we do not know why yet, but we will pursue further discussions to find out. Ontario is not without some difficulties also.

And I have not had an opportunity yet to sit down with the respective ministers from those two provinces nor the minister from Alberta, I believe, who was also looking at a system of pay equity. I think the member knows that pay equity is also defined in different terms depending where it is. And I will be looking at the various programs, because there are a variety right across North America — not all the same, but some of them having different points.

This year, Mr. Chairman, the focus within the secretariat, besides reviewing that issue, there will be several others. The emphasis will continue to remain on education, but our focus will be targeted to young women — young women through the education system; young women graduating from grade 12 going into university, the career counselling that goes with it; young women in high school in terms of the electives that they choose to take, the encouragement of the mathematics and the sciences. And of course that will be done in conjunction with the Department of Education.

Those are the two areas that are of most concern in terms of a list of priorities, Mr. Chairman.

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

**Mr. Mitchell:** — Thank you, Mr. Chairman. I thought I might intervene in response to some of the remarks made by the minister with respect to the development of the women's program within the Department of Labour during the 1970s. Because, Madam Minister, your facts are not entirely accurate, and I think it probably important that I make this intervention not only for the public record but for your information, so that you can better understand the roots of what you're now attempting to administer.

The women's bureau that you referred to in your remarks had existed in the Department of Labour for quite some long period of time, and you are correct in saying that the women's bureau was charged with the specific function of administering that part of the labour standards that dealt with the equal pay for similar work as well as for maternity leave provisions. And that was the case from

the time that those standards were first introduced into The Labour Standards Act.

In 1976 or 1977 — and I've just forgotten as I stand here — in 1976 the . . . You were correct, I was the deputy minister, and the government of the day made the decision to dramatically expand the women's program in the department of labour. As part of that reorganization, it is correct that the responsibility for enforcing the equal pay provisions of The Labour Standards Act and the maternity leave provisions were given over to the women's division.

But, Minister, the function of that division was much, much larger than that. The mandate of that division was cast in very broad terms, and the division was concerned with a great deal more than the mere enforcement — I say mere — I mean, than the enforcement of the equal pay provision. And one of the features of the women's division that was so much admired by governments across Canada was the fact that in Saskatchewan this women's division, this women's organization, had not only the responsibility for policy development with respect to women's questions and for activities involving the community and the promotion of the interests of women and the heightening of consciousness, but, Minister, it also had that enforcement arm in it, that responsibility to specifically enforce those labour standards that were specific to women. And you, I think, would accept my word for it, Minister, that this was much much admired by provinces such as Ontario, Quebec, British Columbia, and Manitoba — to name four that I can specifically remember. Much admired for that.

But I do want to emphasize that the women's division, as it developed in the Department of Labour from 1976 to 1979, when I was there and in the subsequent years until 1982, had a very broad and extensive program, a program designed to heighten the consciousness of Saskatchewan people with respect to women's issues, to bring to the people and to all of the government agencies and departments and indeed all groups in our society a lot of information with respect to women's issues — discrimination against women, pay problems, home care problems. I mean the list goes on and on and on. And your officials, at least two of them, were around at the time and will recall these programs quite specifically.

And I must say, Minister, that of all of the things that I was involved in in my five years with the Government of Saskatchewan, I believe that the formation of the women's division in the Department of Labour was certainly my proudest, my best achievement, my proudest achievement. And I couldn't help but rising and interfering in the discussion between you and my colleague from Regina Lakeview to correct that record because I believe in fairness.

You would agree that it was quite a dramatic move for its time — we're talking about 1976 — and that the program, while we were not universally loved, we were at least respected for doing very, very significant work in the promotion of the status of women in employment and in the home and with respect to a wide variety of problems that women face in our society. And I wanted to intervene to make those comments, Minister.

I also want to say that one of the things that surprised me was the early moves by this government with respect to that division. And I refer specifically to the firing of the executive director of that division, Lynne Pearson. Lynne Pearson was the first executive director of the women's division and she was in that position for about six years, I believe.

And you will recall, Minister, when your government came to power, one of the first things it did was conduct the most broad-ranging and severe firing of civil servants that has ever occurred in the history of this province. And one of the victims of that brutal policy was this same Lynne Pearson.

Lynne Pearson's one of the least political people that I've ever met, in the sense of being a partisan supporter of any party. To this day, I have no notion of what her politics were, but I do know that she was one of the finest civil servants with whom it was ever my experience to work. And proof of that is that after her firing she was picked up by the federal government where she's had a spectacular career, Minister. You will recall that she was the director of the Western Development Office in Saskatoon for some years and she has now been transferred to Ottawa, and she's a rising star in the bureaucracy of the federal government.

I wanted to record that because it's my first opportunity to do that with respect to Lynne Pearson, who as I say, was one of the finest public servants with whom it was ever my pleasure to work.

Now, I want to say also, Minister, and I want to ask you whether you're aware of this, that one of the problems that we were studying in the women's division in the 1970s, during the period from '76 to '79, was this problem of pay equity, was the question of the use of various techniques in order to ensure that pay discrimination against women ended. And the work that we did did not result in any legislation, but was very important pioneering work in this area.

And finally, I want to respond to your remarks about whether this provision was universally loved. That's my term and not yours. But you were making reference to that, and I have to admit that we were not. And that was deliberately so, Minister, it was part of our mandate to be very aggressive about these questions because the road-blocks in society are so high when it comes to women and the problems that they face. And the road-blocks have been there so long and the prejudices so deep and the discrimination is so ingrained, so ingrained that most of us don't even realize that we have these prejudices and that we carry them around with them. And to tackle those obstacles are — and I know that know you this, Minister — a formidable task, a formidable task.

And so when we launched the women's division in the Department of Labour, it was specifically intended that this would be a program that would be aggressive, that we weren't just some kind of facilitators that would get people together in meetings and have little discussions and that sort of thing, but rather that we would try and

lead the way, that we would try and create pressure, that we would try and change long-standing traditions and long-standing habits.

(1300)

And we did that, Minister, and I'm sure that when you came along you found that there were significant parts of the Government of Saskatchewan and the Crown corporations that had run up against the women's division and had been shaken up by it and were really quite pleased if the new government would do something about this aggressive band of individuals who then numbered some 18.

And, Minister, the final point I want to make is that of those 18 people, I believe that only two or three of them were concerned with the enforcement of the equal pay standard. Now that was certainly the case in 1979 when I left. And all of the other bodies, all of the other 15 or 16 bodies were concerned with issues that were not the enforcement of equal pay, that were in fact engaged in research and outreach activities and educational activities covering the broad, broad range of women's problems.

Now, Minister, the question that I have, as I sit down, is: to what extent is your secretariat involved in education and outreach activities in the community outside government? To what extent are you carrying the torch, as it were, for change that will result in elimination of discrimination as far as women are concerned, and in the solution of some of the very formidable obstacles that women still face in our society?

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

**Hon. Mrs. Smith:** — Mr. Chairman, I will just briefly . . .

**Mr. Chairman:** — It now being past 1 o'clock the committee will rise and report progress.

The committee reported progress.

The Assembly adjourned at 1:04 p.m.