

The Assembly met at 1:30 p.m.

Prayers

**ROUTINE PROCEEDINGS**

**PRESENTING PETITIONS**

**Mr. Elhard:** — Thank you, Mr. Speaker. I rise this afternoon to present a petition to this House opposed to forced consolidation of municipalities, and the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly reject the forced consolidation of municipalities.

As in duty bound, your petitioners will ever pray.

And this petition is signed by the residents of Eastend including, I might add, a former candidate for the NDP (New Democratic Party) Party in the election of several years ago.

I so do present.

**Mr. Heppner:** — Thank you, Mr. Speaker. I too present a petition dealing with the government's ill thought-out budget, and I read the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to grandfather vehicles that were tax paid on budget day, therefore providing these dealers the opportunity to pass on the savings to their customers.

And this is signed by the good people from Debden, Canwood, and that part of Saskatchewan.

I so present.

**Ms. Draude:** — Thank you, Mr. Speaker. I also have a petition today against forced municipal amalgamation.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to halt any plans it has to proceed with enforced amalgamation of municipalities in Saskatchewan.

The people that have signed this petition are all from Wadena.

**Mr. Gantfoer:** — Thank you, Mr. Speaker. I too rise on behalf of citizens concerned about the unfairness of the PST (provincial sales tax) on used vehicles. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to grandfather vehicles that were tax paid on budget day, thereby providing those dealers the opportunity to pass the savings on to their customers.

Signatures on this petition, Mr. Speaker, are all from the city of Saskatoon.

I so present.

**Mr. Peters:** — Thank you, Mr. Speaker. I have a petition in regards to the high price of fuel. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel taxes by 10 cents per litre, cost shared by both levels of government.

And the signatures are from Unity, Meadow Lake, and Saskatoon.

I so present.

**Ms. Eagles:** — Thank you, Mr. Speaker. I too stand today to present a petition on behalf of Saskatchewan citizens concerned about the high cost of fuel. And the prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

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

And this is signed by folks in Estevan, Lampman, and North Portal.

I so present. Thank you.

**Mr. McMorris:** — Thank you, Mr. Speaker. I too present petitions on behalf of citizens of the province who are upset with the fact that there is no tax exemption on used vehicles. The prayer reads as follows:

Wherefore your petitioners humbly pray that the Hon. Assembly may be pleased to cause the government to grandfather vehicles that were tax paid on budget day, therefore providing these dealers the opportunity to pass on the savings to their customers.

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

And this is from Saskatoon and area. Thank you.

**Mr. Weekes:** — Thank you, Mr. Speaker. I also have a petition concerning lack of proper health care in Blaine Lake and area:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to overrule the Parkland Health Board to change its decision and allow the Blaine Lake Medical Clinic to have a permanent physician with consistent hours and days.

**Mr. Brkich:** — Thank you, Mr. Speaker. I too have a petition to reduce fuel tax. The prayer goes as follows:

Wherefore your petitioners humbly pray that your Hon.

Assembly may be pleased to cause the federal, provincial governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

As in duty bound, your petitioners will ever pray.

Constituents . . . petitioners have signed from the towns of Bladworth and Davidson.

I so present.

**Ms. Harpauer:** — Thank you, Mr. Speaker. I too have a petition on the reduction of fuel costs. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

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

The petitioners are from Humboldt, Mr. Speaker.

**Mr. Wakefield:** — Thank you, Mr. Speaker. I have a petition opposed to the private sale exemption of \$3,000. The petition reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to provide a \$3,000 exemption for dealers in addition to private sales, therefore providing a fair tax break to the customers of this province whether they choose to purchase a vehicle.

The signatures are from Swift Current, from Carlyle, and from Saskatoon.

I so present.

**Mr. Wiberg:** — Thank you, Mr. Speaker. I have a petition here from the citizens of Saskatchewan in regards to the fuel tax. The prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, this petition is signed by the good people of Prince Albert.

I so present.

**Mr. Hart:** — Thank you, Mr. Speaker. I too have a petition to present on behalf of citizens concerned about the high taxes on fuel. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial

governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

And this petition, Mr. Speaker, is signed by citizens of Nipawin and Love.

I do so present.

**Mr. Stewart:** — Thank you, Mr. Speaker. I rise to present a petition regarding the grandfathering of dealers' used car inventories. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to grandfather vehicles that were tax paid on budget day therefore providing these dealers the opportunity to pass on savings to their customers.

And the petition is signed by individuals from the communities of Wynyard and Saskatoon.

**Mr. Kwiatkowski:** — Thank you, Mr. Speaker. I rise too to present a petition to reduce fuel tax by 10 cents a litre. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel tax by 10 cents a litre, cost shared by both levels of government.

The petition is signed by the good citizens of Arborfield, Nipawin and Carrot River, Mr. Speaker.

I so present.

#### READING AND RECEIVING PETITIONS

**Clerk:** — According to order the following petitions have been reviewed. Pursuant to rule 12(7) they are hereby read and received.

Of citizens of the province petitioning the Assembly on the following matters:

To halt plans to proceed with the amalgamation of municipalities;

To provide funding for the Swift Current Regional Hospital;

To reduce fuel taxes;

To provide a \$3,000 exemption of the PST for dealers; and

To grandfather vehicles that were tax paid on budget day.

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

##### Special Committee on Rules and Procedures

**Deputy Clerk:** — Mr. Speaker, as Chair of the Special Committee on Rules and Procedures, presents the first report of

the said committee which is as follows:

Your committee met for organization and appointed Mr. Kowalsky as Vice-Chair.

Your committee considered its terms of reference as well as proposals from the government and opposition caucuses with respect to the rules and procedures of the Legislative Assembly.

A subcommittee on agenda and procedure comprising of Mr. Speaker as Chair, together with Mr. Kowalsky and Mr. D'Autremont, was appointed by your committee to establish a business agenda for subsequent meetings.

In consideration of proposals for changes to rules and practices, your committee considered certain issues a priority and makes the following recommendations for immediate implementation:

Use of laptop computers in the Legislative Assembly. Your committee recommends that the use of laptop computers be allowed in the Legislative Chamber subject to the following restrictions as interpreted by the Chair:

- (a) they must operate silently;
- (b) they must not be used by the member who has the floor or is involved in the exchange of remarks.

Secondly, substitution of membership of the Standing Committee on Public Accounts. Your committee recommends that rule 94(4) the *Rules and Procedures of the Legislative Assembly of Saskatchewan* be amended to add the words the "Standing Committee on Public Accounts" to the list of committees authorized to allow substitution of membership.

And finally, beverages in the Legislative Assembly. Your committee recommends that non-alcoholic beverages be permissible in the Chamber at all times in discreet containers as approved by the Speaker.

It is your committee's intention to monitor these changes to the rules and practices if implemented. It is also your committee's intention to continue meeting and to prepare a substantive report at the beginning of the next session of this twenty-fourth legislature.

Signed Hon. Ron Osika, Speaker and Chair of the Special Committee on Rules and Procedures.

**Mr. Kowalsky:** — Thank you, Mr. Speaker. I move, seconded by the member from Cannington:

That the first report of the Special Committee on Rules and Procedures be now concurred in.

Motion agreed to.

**Mr. Kowalsky:** — Further to that report, Mr. Speaker, I move, seconded by the member from Cannington:

That the modifications and amendments to the practices of

the Assembly with respect to the use of laptop computers and beverages in the Legislative Assembly, as recommended in the first report of the Special Committee On Rules and Procedures, be approved and adopted to come into effect immediately.

And further,

That with respect to the substitution of membership for the Standing Committee on Public Accounts, the following rule be substituted for that of rule 94(4); and 94(4) reads:

That the membership on the Standing Committees on Non-controversial Bills, on Crown Corporations, on Constitutional Affairs, and on Public Accounts, other than that of the Chair, shall be transferable by written notice signed by the original member and filed with the Chair of the Committee.

I so move, Mr. Speaker.

Motion agreed to.

#### INTRODUCTION OF GUESTS

**Mr. Gantefoer:** — Thank you, Mr. Speaker. Mr. Speaker, to you and to the members of the Assembly, I would like to introduce in your gallery, Rob and Carla Zadorozniak and their three sons Ryan, Dylan, and Brennan. The Zadorozniaks are from Foam Lake and they're here to witness the proceedings and I'd ask all the members to welcome them warmly.

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

**Hon. Mr. Lingenfelter:** — Mr. Speaker, I'd like to introduce to you and to members of the Assembly two special guests seated in the west gallery. One a good friend, a constituent, Warren McCall. Warren would you stand up and be recognized, past president of the Saskatchewan Young New Democrats.

As well, Adam Angus who is employed for one of our MPs (Member of Parliament), popular MP, Lorne Nystrom in Ottawa. He is the son of Iain Angus, a former Member of Parliament for Thunder Bay from 1984 to '93. I want all members to join with me in welcoming both of our friends here today.

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

**Mr. Weekes:** — Thank you, Mr. Speaker. Mr. Speaker, it gives me a great deal of pleasure to introduce to you and through you very special people in my life that are seated in your gallery. I'm pleased my family could join me for a couple of days in Regina during the Easter break.

And please join me in welcoming my wife Cindy, daughters Lacey, Alexandra, son Marshall, and Lacey's friend Mallory Antonenko.

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

**Hon. Mr. Melenchuk:** — Mr. Speaker, I'd like to introduce to you and through you to the members of the Assembly seated in

your gallery, some visitors from Dalmeny and they are seated beside my assistant Marv Schultz and they are visiting. It's Mr. Randy Bitner and his daughter Raelyn. And the Bitners are visiting the city with Randy's wife, Roxanne, who is attending the spring council of the Saskatchewan Teachers' Federation. And all members please join with me in welcoming the Bitners to the Assembly this morning . . . or this afternoon.

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

**Mr. Harper:** — Thank you, Mr. Speaker. Mr. Speaker, I'd like to join with the Deputy Premier in welcoming our two guests seated in the west gallery. I had the pleasure, Mr. Speaker, for a period of nearly three years of being a colleague of Warren's in the same operation, having worked in Lorne Nystrom's office, and I want to welcome Angus from Ottawa down here, and I hope he enjoys visit to Regina, the visit to Saskatchewan, and visit to this legislature.

And, Mr. Speaker, it is rumoured that when I left Lorne Nystrom's office to take my seat here in this House that the IQ (intelligence quotient) level in both operations increased significantly. Welcome.

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

**Mr. Hermanson:** — Thank you, Mr. Speaker. I'd like to introduce to the Assembly, Martin Boser, who is sitting in your gallery. Martin Boser has showed a great interest in politics for a number of years. One of the thousands of young Saskatchewan people who have supported the Saskatchewan Party, he was our candidate in the Saskatoon Idylwyld riding, and did extremely well in the last provincial election, has laid the groundwork to win that riding in the next election.

Currently Martin is working in Lloydminster but he's here in the Assembly with us today and let's give him a round, warm welcome to this Assembly.

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

**Ms. Lorje:** — Thank you, Mr. Speaker. Mr. Speaker, seated today behind the bar is a gentleman whom all of us know very well and have very fond and warm regard for, Mr. Walter Jess, former MLA (Member of the Legislative Assembly) for Redberry. Walter is a gentleman who survived a tractor accident and survived eight years in the NDP caucus, and I ask all members to warmly welcome him here today.

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

## STATEMENTS BY MEMBERS

### Increase to Rail Transportation Rates

**Ms. Lorje:** — Thank you, Mr. Speaker. Mr. Speaker, the crow has finally come home to roost. As the member from Kindersley is fond of saying, there are benefits to losing the Crow benefit. Well today we learned what one of those benefits is.

Unfortunately, the benefit does not go to prairie farmers. No, Mr. Speaker, it goes to the long suffering railway companies.

The Canadian Transportation Agency has just announced a four and one-half per cent increase in the maximum rail rates for the 2000-2001 crop year, right after the railway companies announced record profits.

This is Ottawa's idea of the quote, "long-awaited reforms to the Western grain transportation system." With that kind of reform, Mr. Speaker, I think we could wait a little longer.

CTA (Canadian Transportation Agency) says that rate increase is necessary because of high fuel prices — just as the fuel prices are coming down. This rate increase comes at a time when the railroads have passed on to grain producers only one-half of the \$9 per tonne in savings from rate deregulation.

Mr. Speaker, Saskatchewan farmers cannot bear a four and one-half per cent increase to rail rates. They need an 18 per cent decrease. Consequently, before orders of the day, government members will be moving a motion for an emergency debate urging that the federal government stop this totally uncalled-for freight rate increase.

Thank you.

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

### Redberry Lake Biosphere Reserve

**Mr. Weekes:** — Thank you, Mr. Speaker. I would like to acknowledge today that Redberry Lake is now part of the UNESCO (United Nations Educational, Scientific, and Cultural Organization) Biosphere Reserves. At the recent meeting in January of this year in Paris, France, the Bureau of International Co-ordinating Council of UNESCO's Man and the Biosphere Programme approved Redberry Lake as one of the 11 worldwide new biosphere reserves.

The people of Hafford, Saskatchewan and the people of Redberry Lake RM (rural municipality) are to be congratulated for their achievement. A news release from the Man and the Biosphere Secretariat reads:

Nature Saskatchewan's community conservation plan for Redberry Lake and its watershed is now complete. The plan complements the actions outlined under the Biosphere Reserve goals, with a vision ". . . to implement management strategies and infrastructures to advance (our) conservation of birds through maintaining an ecosystem that nurtures the quality of life for its people and its wildlife together.

Redberry Lake previously received international recognition as a globally significant Important Bird Area joining Bird Life International's global network of IBA (important bird areas) sites. The Canadian Important Bird Areas campaign is part of global initiative of Bird Life International and its partners to protect the critical areas of bird habitat worldwide.

I'd like to congratulate the people in the Redberry Lake area for their achievements.

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

### Training for Forestry Jobs

**Mr. Kowalsky:** — Mr. Speaker, I'm very happy to bring to the attention of this Assembly more good news for northern Saskatchewan coming from our government's recent budget.

A new education and training strategy will allow Saskatchewan workers, especially northern people and northerners to take advantage of job opportunities in the provincial forest, in the North, Mr. Speaker.

There are big changes going on in the forest industry. We are applying technology, Mr. Speaker, to grow forest, to harvest forest, and to do value added. And all of these require attention to increased skills and safety procedures.

The \$1 million training initiative will help provide trained workers to meet the needs of the expanding forest industry in the province. Training is being planned and delivered in partnership with industry, SIAST (Saskatchewan Institute of Applied Science and Technology), regional colleges, Aboriginal institutions, and others.

This forestry initiative is an important example of this government's commitment to provide jobs and skill training that benefit Saskatchewan people. This also supports the goals of the province's northern strategy, diversifying the northern economy with the full participation of northern people.

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

### Estevan Junior Hockey Player Receives Awards

**Ms. Eagles:** — Thank you, Mr. Speaker. Mr. Speaker, today I am pleased to recognize Prestin Ryan a member of the Estevan Bruins hockey club. Prestin is 19 years of age and hails from Arcola. Last season with the Bruins, Prestin helped lead the team to its first SJHL (Saskatchewan Junior Hockey League) title in over 14 years and then helped to lead them to the ANAVET Cup championships where they defeated the Manitoba representative from OCN.

From there it was on to the Royal Bank Cup championships in Yorkton. However, Mr. Speaker, Prestin saved his best for this season. He was again named to the SJHL all-star team and during the Christmas break he was a member of the SJHL Viking Cup all-star team at an international tournament in Camrose, Alberta. Prestin was recognized by his peers, league coaches, and the media as the SJHL all-league first team all star.

This past weekend in Humboldt at the first ever awards banquet he was awarded the SJHL's top defenceman. Prestin served as assistant captain for the Bruins during this past season. If the past is any indication of Prestin's potential, look for him to rise to the top in any of his future endeavours.

Prestin is billeted with my CA (constituency assistant) and her husband, Shelley and Andy Schroeder of Estevan. So I congratulate Prestin. Thank you.

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

### Pak-Wel Produce Buys Potato Plant

**Mr. Trew:** — Thank you, Mr. Speaker. This morning the minister responsible for Sask Water turned over the keys for the Lucky Lake potato plant to Pak-Wel Produce. Today's great news for Lucky Lake and area is more than ceremony — there's more than 30 jobs involved. It's another sign, Mr. Speaker, that Saskatchewan's potato industry has in fact rebounded.

The future is bright thanks to many people who never gave up. The future is bright because the minister responsible for Sask Water believed in rural economic development and in the people of Lucky Lake and the Beechy area. The province invested in these potato storage facilities with these very people in mind, Mr. Speaker.

The official opposition has criticized the government for helping to develop the potato industry. There have been some difficult choices made that have not always enjoyed popularity, but economic development is yet to be perfected.

I am very proud, Mr. Speaker, of our Premier, the minister responsible for Sask Water, and everyone who stood by the people of the Lucky Lake and Beechy area. Today's 30-plus jobs are great economic development news in the Leader of the Opposition's constituency and over his repeated objections.

Mr. Speaker, this government believes in rural Saskatchewan. We're there every day helping to make it happen.

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

### Canada Book Day

**Hon. Mr. Van Mulligen:** — Mr. Speaker, it is my pleasure to remind my colleagues that April 27 has been designated Canada Book Day. It is a day when we are reminded of and encouraged to read some of the wonderful literary accomplishments of Canadian authors.

And indeed there have been many accomplishments. Canadian authors are some of the most critically acclaimed in the world. With authors such as Margaret Laurence, Margaret Atwood, and Michael Ondaatje, who would not agree that Canadian authors are incredibly gifted at their craft?

Among our country's best are authors from Saskatchewan. Maria Campbell's work has become a mainstay of Canadian literature. Saskatoon's Guy Vanderhaeghe has received international attention for *The Englishman's Boy*. And as mentioned a few weeks ago, Regina's own Gail Bowen has had her mystery novels turned into television movies. The sheer number of excellent authors speaks to the richness of Canadian culture.

But besides being a day for celebrating the incredible depth of Canadian literature, National Book Day is a day to celebrate the importance and the joy of reading. The ability to read is often taken for granted, and we must remember that it is one of the greatest educational tools at our disposal. It is one of the best ways to learn about history, human nature, and the world around us.

So on this year's Canada Book Day, I encourage you to celebrate Canadian authors and to celebrate reading. Buy a book, and buy Canadian, Mr. Speaker.

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

### Agricultural Sciences Month

**Ms. Higgins:** — Thank you, Mr. Speaker. For years Saskatchewan has been a leader in agricultural technology and research. This international reputation is very well deserved. Our new innovation, research, and ideas are influencing agriculture around the world.

Mr. Speaker, this is why it pleases me that the Deputy Premier, the Minister of Agriculture, has proclaimed April Agricultural Sciences Month in Saskatchewan. Research in the agricultural sciences area continues to be the foundation for Saskatchewan's success in agriculture.

To ensure continued research and achievements in agricultural sciences, I am pleased to say that the Saskatchewan Agriculture Development Fund has invested another \$3.1 million in 41 research projects. Projects include the mapping of native prairie plants by the Saskatchewan Native Plant Society, and the development of a needle-less vaccine for pigs by the Veterinary Infectious Disease Organization.

The largest amount of funding for this round of projects went to the department of plant sciences at the College of Agriculture. The almost \$800,000 will fund a number of projects.

Mr. Speaker, from the variety of projects mentioned, we can be assured that Saskatchewan will continue to be an international leader in agriculture. The innovation of our researchers and the dedication of the ADF (Agriculture Development Fund) to research bodes well for the future of agriculture in Saskatchewan.

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

### ORAL QUESTIONS

#### Premier's Plans for the Future

**Mr. Hermanson:** — Well thank you, Mr. Speaker. Well, well, well, well, well, Mr. Premier. We knew it was going bad for the NDP, but we didn't know it was going this bad. The headline in today's paper says the Premier is considering a move to the Liberals.

Mr. Premier, has it really come to this? Are you thinking of abandoning ship and bailing in with the Liberals? Has your six months in bed with the Liberals really had that much of an affect on you?

Mr. Premier, I know it's looking pretty grim over there, but are you really thinking of joining the Liberals?

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

**Hon. Mr. Romanow:** — Mr. Speaker, I want to say that unlike the Leader of the Official Opposition in this Legislative

Assembly, at least I'm being written about in a somewhat positive fashion compared to the absolute ignoring of him and his Saskatchewan Party.

But for over 20 years now, and I might add prior to the 1999 provincial election, thanks to the Saskatchewan Party, I think at some point or other I was going to be the Lieutenant Governor of this province, the Governor General of Canada, a senator, a diplomat, an ambassador, a studier into medicare. And now I have a new list which is to be a federal Liberal.

And you know what, Mr. Speaker, here I am, Leader of the NDP and Premier of the government today, and I continue to do this job and I intend to continue this job. And it gives me a great deal of satisfaction, Mr. Speaker, to be able to say that I have outlasted Conrad Black in my job . . .

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

**Hon. Mr. Romanow:** — And, Mr. Speaker, I predict I'll outlast the Leader of the Opposition.

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

**Mr. Hermanson:** — Well thank you, Mr. Speaker. Actually, Mr. Premier, we're very glad to hear that you're sticking around. We want you to lead the NDP into the next election.

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

**Mr. Hermanson:** — Mr. Speaker, we'd actually like to see this election sooner rather than later. The Premier says that he's going to stay on as long as the people of Saskatchewan want him to. But I'd say the Premier's logic is a little flawed. Because about two-thirds of the voters told him in the last election they didn't want him to stay on any longer.

And I'm sure he's seen the polls since then and they're not getting any better are they, Mr. Premier. So, Mr. Premier, we want you to lead the NDP into the next election. We just don't want you to get cold feet and go past four years like you did prior to the last election.

Mr. Premier, after question period, after question period I will be moving a private members' Bill to make sure you don't drag your term past four years again. Will you support this Bill? Will you really be a democrat and support my private members' Bill?

**Hon. Mr. Romanow:** — Mr. Speaker, I am not only a democrat but I am a New Democrat. And I think in both philosophic terms and in other historic terms in Canada, it's probably a lot fresher than the Leader of the Opposition represents, who I might add, while being mildly critical or at least humorous in an attempt to be humorous about this story, speculative story about switching, has himself switched political parties, from the Reform Party to the Saskatchewan Party.

So when he tenders his Bill, let him tender his Bill and allow the legislature to dispose of it. And I can tell you, after 33 and 34 years of fighting for the best interests of the province of Saskatchewan and the people of Canada, I think, immodestly

speaking, trying to do something which we all try to do to benefit the society, my record stands pretty clear. I don't think I need to explain it to him any further.

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

### Health Care Issues

**Mr. Gantefoer:** — Thank you, Mr. Speaker. My question is for the Minister of Health. Madam Minister, we all know the problems people are having with the province's health care system. Our office receives call after call and letter after letter from people facing long waiting times from surgery, from people wondering whether treatment or a drug is covered by Saskatchewan Health, people complaining about the system in general, and people not getting a response to the written concerns from their health district or from your office.

And as you know, your office gets these calls I'm sure, and these letters as well, and they go largely unanswered.

Madam Minister, I will be introducing today an Act of legislation entitled the health ombudsman Act, legislation that would give people with concerns about the health system in this province, an avenue for expressing their concerns and a way of holding the system accountable to the people of this province.

Madam Minister, I ask you: will you be supporting this legislation?

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

**Hon. Ms. Atkinson:** — I thank you very much, Mr. Speaker. Mr. Speaker, obviously before I could indicate the government's intent in terms of the legislation, we'd want to see the legislation.

I can tell the member that my office and the Associate Minister of Health's office receive literally hundreds of calls each day as well as, you know, dozens and dozens of letters. And we know that health districts receive that kind of feedback as well because they have quality of care coordinators in each of the health districts.

We try to respond as quickly as we can. Oftentimes, we need to seek information from the health providers or the health districts or the departments, but we try and be as responsive as humanly possible.

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

**Mr. Gantefoer:** — Thank you, Mr. Speaker. Mr. Speaker, on April 11, young Ryan Zadorozniak had his adenoids and tonsils removed at Yorkton health centre. The procedure went as usual, however, two days after Ryan had been sent home, his recovery was not progressing and he was having a great deal of difficulty breathing. He returned to the doctor's office and then the emergency ward where they suctioned his nose to remove any possible blood clots. Again, he was sent home and told to take ibuprofen.

But Ryan continued to struggle breathing and spent most of his time sleeping until two days later when he coughed up a ball of

gauze which had obviously been left in him during the surgery. Madam Minister, his family has expressed their concerns to your office, to the Premier's office, the district health board and many other officials, and they've received no response.

Madam Minister, a health ombudsman would give this family somewhere to turn to make sure that the system is held accountable to the people that it's supposed to serve. Will you support this legislation?

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

**Hon. Ms. Atkinson:** — Thank you. Mr. Speaker, we're extremely sorry to hear about Ryan's experience with his surgery. We do understand that he is feeling better.

I did receive a copy of a letter. I understand that the letter was sent to many different agencies as well as individuals. The district, the East Central Health District, received a copy of the complaint on April 19 and I understand that they're following up on the complaint.

I would say this, that there is a professional organization that governs physician services and that's the college of physicians and surgeons. I would suggest that a formal complaint could be left . . . or sent to the college — I know the letter has been sent — and the college could conduct a formal investigation.

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

**Mr. Gantefoer:** — Thank you, Mr. Speaker. Mr. Speaker, to the minister. Madam Minister, you don't seem to understand that ordinary people, real people in this province, do not have all the information available to them as to where they should turn when this type of event happens. These people responded as appropriately as they could, and what they need is a single-desk place where their concerns can be addressed.

Hence our call for a health care ombudsman — someone who is beyond politics, who isn't going to an apologist for the medical profession or the health districts or for the department; someone that is accountable to the people of this province.

Mr. Minister, will you meet with the Zadorozniaks, and will you apologize and will you assure them that you will seriously consider the implementation of a health care ombudsman in this province?

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

**Hon. Ms. Atkinson:** — Mr. Speaker. Yesterday, or two days ago, the Canada health information was released to this country, the CIHI (Canadian Institute for Health Information) information. And what was so phenomenal about the information is that Canada and this province of Saskatchewan has the finest publicly funded, publicly administered health care system in the entire globe.

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

**Hon. Ms. Atkinson:** — And, Mr. Speaker, why is that? That is because in 1962 the people of this . . .

**The Speaker:** — Order. Order.

**Hon. Ms. Atkinson:** — And Mr. Speaker, why is that? It is because in 1962 the people of this province decided to bring in a publicly funded medicare in this province. And then the Liberal government of the late 1960's decided to fund . . . to assist the provinces in funding health care.

Mr. Speaker, when public surveys are taken, the vast majority of people who actually use the health system are pleased with the health system. Mr. Speaker, there are occasions, like in anything, there are occasions when the system does not meet our expectations and does not live up to the quality of care that we expect.

Mr. Speaker, there are regulatory bodies that investigate various professions.

**The Speaker:** — Order. Next question.

**Mr. Gantfoer:** — Mr. Speaker, to the minister. Madam Minister, the Canadian Institute of Health Information that released its report yesterday also identified many problems in the system. One of the big problems in the system that was identified is that there's a lack of information about the effectiveness of procedures and processes in the system.

One of the reports co-authors, Steven Lewis of Saskatoon, says he doubts putting more money into the system will automatically translate into better health status. But, Madam Minister, you've been calling on the federal government to put more money into the system incessantly.

In light of this report which indicates that a more thorough investigation is needed and that Steven Lewis's comments that more money isn't automatically the answer, isn't it time that you accepted the Sask Party's recommendation for an audit of the system and do a complete review of the Saskatchewan health care system?

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

**Hon. Ms. Atkinson:** — Mr. Speaker, it is well known that items like a job, like access to a good quality education, good housing, water and sewer, a decent environment, and health services, all add to life expectancy. And that our ability to provide those public services enhance our ability to provide good health services to the people that we all serve in this province, Mr. Speaker.

Mr. Speaker, it is true that I have been calling on the federal government to share in the cost of our publicly funded health care system. And the reason, Mr. Speaker, is that I do not want ever to see this country move to the kinds of things we're witnessing in Alberta with Bill 11 where they're going to allow private surgical clinics and overnight stays in that province.

I know the members over there support that from a policy point of view, but our party and our coalition government does not.

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

**Mr. Gantfoer:** — Thank you, Mr. Speaker. Mr. Speaker, as

the minister is aware, the Saskatchewan Party has repeatedly been calling for an audit of the health care system. The minister, you yourself have been dropping hints that a complete review is needed. And the Premier has said that if the federal government doesn't undertake a review nationally, then we should do one on our own here.

You now have a national report that indicates more information is necessary to pinpoint the strengths and weakness of the system in Saskatchewan and across the country. You have one of the authors of this report saying that more money isn't automatically the answer.

What more do we need, Madam Minister? Will you commit today, Madam Minister, to discuss with the Saskatchewan Party, the official opposition, the terms of references that are needed to have a complete review of the health care system in Saskatchewan? And will you commit to this review today instead of dropping hints about it?

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

**Hon. Mr. Romanow:** — Thank you, Mr. Speaker. I'd like to answer this question on behalf of the government because the member alluded in his question to the Minister of Health and to myself.

The government has, as the Minister of Health has very accurately described, been advocating a two- or three-part strategy. And let me outline this to the hon. member.

First of all, money is a very important factor and we have been arguing that there needs to be more money from Ottawa to the provinces. In that regard, all the provinces remain united.

We do not believe, however, that money alone is the answer to the 21st century health care system. We do not believe that it is the answer alone, nor is other provisions of health care the answer alone. We need to take a look at the 21st century future of health care to make sure that it's publicly administered, that it is owned by the people of Saskatchewan and Canada, that it is not privatized.

Now what the hon. member opposite there says, do it. What he wants is us to do the Saskatchewan Party thing . . . is a Texas-style audit or an Alberta Bill 11. And we're not . . .

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

### Freight Rate Increases

**Mr. Elhard:** — Mr. Speaker, my question is for the Minister of Transportation this afternoon. Mr. Minister, your Premier's new party, the federal Liberals, have just slapped farmers in the face one more time.

This time it amounts to a 4.5 per cent increase in freight rates. That's a \$25 million attack on Saskatchewan farm families. And that came just days after CN (Canadian National) Rail announced a 41 per cent increase in their profits. Now, Mr. Minister, as you know, this is absolutely unacceptable.

Immediately after question period today, the Saskatchewan



Party will move an emergency motion calling on Ottawa to rollback this unfair cash grab. Mr. Minister, will you support this motion?

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

**Hon. Mr. Sonntag:** — First of all, Mr. Speaker, as minister responsible, we also intend on moving a motion in that regard.

But let me say that the province of Saskatchewan has been calling for some length of time for a full review of the Canadian Transportation Agency. And also the Canadian Transportation Agency's own studies have shown that there are certainly excessive revenues to the railway. So we're extremely disappointed, along with the member, that the 4.5 per cent increase comes at a time that precedes any ruling around the Canadian Transportation Agency.

So obviously we agree on this specific point, Mr. Speaker.

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

**Mr. Elhard:** — Thank you, Mr. Speaker. Mr. Minister, yesterday the member for Thunder Creek pointed out that your government was actually supposed to be doing more to deal with input costs. The Throne Speech said, and I quote:

My government will work with producers and suppliers to find ways to reduce the high input costs facing . . .

We will introduce a farm input costs monitoring program.

Mr. Minister, where is this program? What steps have you taken to reduce input costs as was promised in your Throne Speech?

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

**Hon. Mr. Lingenfelter:** — Mr. Speaker, as of yesterday a special adviser as we have announced in terms of giving us assistance, especially in the area of international trade, has been announced. You will know that a \$25 million reduction in property tax was announced.

We also now have no fuel tax — no fuel tax for farm fuels used on farm this year. And it continues on with a new forage program for next year that has been announced.

And so I say to the member opposite, when you include the elimination of all fuel tax for farmers, a tax reduction on property tax of \$25 million, the announcement that we are now looking in the area of monitoring and making sure that the productivity of farmers and the competitiveness is in place, that farmers are, I think, in a better position to face the big problems that farmers across Canada have with input costs here as well as in other provinces across Canada.

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

**Mr. Elhard:** — Thank you, Mr. Speaker. Mr. Minister, your government has not done enough to reduce input costs. And now we see a \$25 million increase in freight rates. Now this single increase by itself completely wipes out the modest property tax relief that was indicated in this year's budget.

Mr. Minister, your Throne Speech promised to find ways to reduce farm input costs. You promised to introduce a farm inputs monitoring program, yet we see no evidence that you have done that. Instead we get hit with a \$25 million freight rate increase and that's on top of the expanded PST, on top of the utility rate hikes that we have seen, on top of the increases now to Crown grazing leases.

Mr. Minister, what are you going to do about farm input costs, and why have you not kept your promise made in the Throne Speech?

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

**Hon. Mr. Romanow:** — Mr. Speaker, again I wish to answer this question on behalf of the government by reiterating, as I did with the Minister of Health, what the Deputy Premier has just told the members opposite.

The commitment is to monitor. And we are in fact working toward establishing the appropriate monitoring of the input costs. But the specific issue which prompts this question is going to be the subject of an emergency debate, either of our resolution or your resolution.

This increase of 4.6 per cent on the freight rates is a decision taken by an agency of the federal government. This agency's decision is wrong. The farmers cannot afford it. They should not be asked to pay for it. And we're going to call for — during the course of the debate — that the federal cabinet in Ottawa, as it has the power to do, overrule immediately and revoke that 4.6 per cent.

Let's keep our eye on the ball on today's crisis of the many crises which face farmers. And that is to roll back this unfair, usurious gouging of freight rates by the . . .

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

#### Land Information Services Corporation

**Mr. Heppner:** — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister responsible for the Land Information Services Corporation.

Mr. Minister, on January 10, you announced the formation of another Crown Corporation. This one was set up by the NDP to automate the land titles system in Saskatchewan. When the announcement was made, the NDP said a Crown corporation was the most efficient way to handle land titles.

Mr. Minister, my question is simple. How much money has the NDP spent to date establishing this new Crown corporation, the Land Information Services Corporation?

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

**Hon. Mr. Axworthy:** — Mr. Speaker, the member will know that the computerized land titles system that Saskatchewan has been developing, first within the Department of Justice, and then as the member properly points out through a new Crown corporation, is amongst the most advanced systems in not only Canada, Mr. Speaker, but the world.

And this system is a system which is of interest to those from all across the world. We had last week, we had last week members from Albania, funded by USA (United States of America), looking at our personal property registry, another world-leading computerized infrastructure, Mr. Speaker.

This is good news for Saskatchewan, Mr. Speaker, good news for the residents of Saskatchewan; and the member opposite should be proud of the development that has taken place, first in the Department of Justice and then in this Crown corporation.

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

**Mr. Heppner:** — Thank you, Mr. Speaker. Well the minister has told us what he considers good news; however, he missed the question. The question asked how much his government has spent. And I'll give him an opportunity to answer that in a minute. So let's get that first of all. We want to know how much you've spent, not your personal point of view on the issue.

Mr. Minister, it's understandable that the government would be looking for a better way of handling land titles. The Regina Chamber of Commerce has complained for a long time about a huge backlog in that system. According to the chamber, it takes two days to register in Alberta, three weeks in Saskatchewan. The chamber says this delay adds significant cost and makes Saskatchewan companies less competitive.

Again, Mr. Minister, how much money has the NDP government spent to date on the new Land Information Services Corporation? When will that system be in place? And how much more money do you expect to spend before it's fully implemented?

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

**Hon. Mr. Axworthy:** — Mr. Speaker, well, Mr. Speaker, it is important that the member mentions Alberta, because Alberta actually — as the member may know, Mr. Speaker — is looking at the very system that we have developed for adoption in its system, as are other provinces, Mr. Speaker.

So we have, Mr. Speaker, a world-class process here that we have developed by expertise within the province. Mr. Speaker, the implementation date begins in Moose Jaw next year. Mr. Speaker, it's on schedule. In fact, Mr. Speaker, I should say it's ahead of schedule and ahead of budget. That's what the member should be interested in.

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

**Mr. Heppner:** — Thank you, Mr. Speaker. Well we've been told it's a world-class operation, but it doesn't work yet. Then we asked how much it was going to cost and he hid behind Alberta. Next thing you know, he's going to hide behind Texas.

Mr. Minister, we need to know what the cost of that is going to be. And again we'll repeat that: how much money has the NDP government spent to date on that new system? And how much more money do you expect to spend before it's operational?

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

**Hon. Mr. Axworthy:** — Mr. Speaker, let me state again that this is an institution, a service, a facility that everyone in the province should be proud of, Mr. Speaker. Mr. Speaker, it is something that is being looked at by everyone across . . .

**The Speaker:** — Order. Order.

**Hon. Mr. Axworthy:** — Mr. Speaker, far from hiding behind Alberta, Mr. Speaker, it is Alberta which is looking at our system to adopt theirs. That tells you how good it is.

So, Mr. Speaker, let me say, Mr. Speaker, that the computerized land title system is to be implemented . . . it will be in place next year. It will, Mr. Speaker, speed up the process of transferring property. It is a system, Mr. Speaker, which is supported by the bar society, Mr. Speaker, the lawyers in Saskatchewan, and by the real estate profession, Mr. Speaker.

This is good news for Saskatchewan. It's time to recognize that.

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

## INTRODUCTION OF BILLS

### Bill No. 203 — The Legislative Assembly and Executive Council Amendment Act, 2000

**Mr. Hermanson:** — Thank you, Mr. Speaker. I would like to move first reading of Bill No. 203, The Legislative Assembly and Executive Council Amendment Act, 2000.

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

### Bill No. 210 — The Health Ombudsman Act

**Mr. Gantefoer:** — Thank you, Mr. Speaker. Mr. Speaker, I move that Bill No. 210, The Health Ombudsman Act be now introduced and read a first time.

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

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

**Hon. Mr. Sonntag:** — Mr. Speaker, with leave to move a motion of urgent and pressing necessity under rule no. 46.

**The Speaker:** — Would the minister kindly explain the reason and the urgency for the motion.

**Hon. Mr. Sonntag:** — Certainly. Thank you, Mr. Speaker. In response to yesterday's announcement by the Canadian Transportation Agency, and certainly the terrible grain transportation service provided to prairie farmers in the winter of 1997, the Saskatchewan government demanded an entire review of the grain handling and transportation system being undertaken.

The call for a review was wholly supported by the four Western provinces and Justice Willard Estey was appointed to conduct that review, Mr. Speaker. And in light of yesterday's ruling, Mr. Speaker, with respect to the Canadian Transportation Agency

and the 4.5 per cent increase, I would seek leave to move a motion in that regard.

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

Leave granted.

#### MOTION UNDER RULE 46

##### Freight Rate Increase

**Hon. Mr. Sonntag:** — Mr. Speaker, we need the federal grain transportation review legislation now and we've been pressing the federal government for this for some time. We all remember the winter of 1996-97 where the grain handling and transportation system failed us. We saw a record snowfall and considerable problems moving grain. The ports were backed up, grain was sitting in the bins forever, and this cost farmers some \$60 million, Mr. Speaker.

Our Premier played a key role in getting the whole review process going on grain handling and transportation so that would not happen again, Mr. Speaker. We had the support of the Western provinces and the stakeholder groups — SARM (Saskatchewan Association of Rural Municipalities), Keystone Agricultural Producers, the Wild Rose Agricultural Producers — they were all on board then. And they're on board now too, Mr. Speaker.

This is an important issue to Saskatchewan. We ship nearly 20 million tonnes of grain and grain products out of Saskatchewan each and every year. That costs producers some \$700 million a year in freight rates.

Now we're talking about another increase — another 4.5 per cent. That could be as much as \$25 million or about \$1.45 per tonne. Farmers cannot afford another increase, Mr. Speaker. There's a farm crisis out here on the Prairies but Ottawa just does not seem to understand.

This increase announced by the Canadian Transportation Agency does not have to be implemented. There are options that the federal government could consider. They can suspend the CTA recommended increase altogether, or they can accept the recommended increase but they could assume the increase and pay the railways directly. They've done that before back in the late '80s.

The last option, which is what we've long been calling for, is that the federal government can introduce its entire grain transportation reform package to benefit farmers. This package must include an immediate adjustment in freight rates to account for railway productivity savings over the past eight years and address the mechanism to ensure sharing of future productivity savings; an effective role for the Wheat Board which supports its marketing function, including a role in the transportation of grain, in mechanisms that enhance competition, such as open access.

The concept of open access would enable a bona fide railway to use the railway tracks of any other railway to transport its products. We feel this will enhance competition and benefit shippers.

And of course we need an improved branch line abandonment process. This would enable the development of short-line railways where a viable operation can be sustained. Without this improved process, we will continue to see more elevator closures and rail-line abandonment because the two really do go hand in hand.

And that will mean more grain on the road instead of on the rail, and I don't have to tell you that our highways cannot endure this kind of traffic, Mr. Speaker. The roads are already taking a terrible beating and we are hard-pressed to maintain them in the way that we would like to.

(1430)

The federal government has indicated cost reductions in the neighbourhood of 12 to 18 per cent would be part of any reform package. That comes to about \$150 million, Mr. Speaker.

We're asking the federal government to move on that immediately so that the 4.5 per cent increase will not be felt by farmers come August 1. The position of the Prairie provinces has always been that any changes to the system must benefit producers first.

That's what we're pressing for in the Estey process and again in the Kroeger process. It's now up to the federal government to implement the reform package to benefit farmers. The 4.5 per cent increase is a consequence of the federal government not acting on the grain reform package. This is not acceptable.

I have written the Hon. David Collenette, Minister of Transport, this morning, asking for the federal government to immediately implement the western grain transportation reform package. At the same time the Canadian Transportation Agency is recommending a 4.5 per cent increase, there are recommendations before the federal government to reduce the rates by \$150 million.

And therefore, Mr. Speaker, I'd like to call on the House for its unanimous support of our motion requesting the federal government to immediately suspend the April 26, 4.5 per cent rate increase announced by the Canadian Transportation Agency.

And therefore, Mr. Speaker. I would like to move, seconded by the member from Cypress Hills:

That this Assembly call on the federal government to immediately suspend the April 26, 4.5 per cent freight rate increase announced by the Canadian Transportation Agency.

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

**Mr. Elhard:** — Thank you, Mr. Speaker. The decision announced by the Canadian Transport Agency earlier this week allowing a maximum four and a half per cent increase in rail freight rates for the upcoming crop year is a complete and total travesty.

Once again Saskatchewan farmers are being compelled to bear the burden of costs which are beyond their control with no

appeal and no recourse. Saskatchewan's farmers are once again the victims of an antiquated system filled with regulatory overkill and numbing mindlessness with no thought ever given to the consequences or the debilitating effects on the last person in the lineup, which in this case is the farmer.

Mr. Speaker, I recall the huge debate surrounding the removal of the Crow rate. The federal government advocated in 1994 that the Crow rate, a long-standing and historical agreement with farmers of Western Canada, be removed and, in lieu of the payment that the Crow rate provided, the subsidy of transportation costs that particular agreement provided, we were told that we would see some very specific and important improvements to the grain transportation industry and to the bottom line of farmers in Western Canada.

In return for the removal of the Crow rate, we were to see greater efficiency, greater competition, and reduced rates. Looking at that list of promises, we've missed two out of the three for sure; and if you listen to the farmers out in the rural parts of this province, we may have missed the mark on all three of the promised benefits.

What have we got to show for the loss of the Crow so far? There is talk of some improved efficiencies, and no doubt if the efficiencies have accrued they have accrued to the operators of the railways. The efficiencies have not accrued to the producers in this province. And unless efficiencies do accrue to farmers, unless they can see the benefits of this particular agreement coming home, unless they can see the benefits on their bottom line, there is not much benefit at all to the removal of the Crow rate.

I think that farmers were hung out to dry, frankly, by the federal government. I don't think they ever planned to see the efficiencies that they promised arrive at the door — at the farm gate — of the individual producers in the Western provinces.

I believe that the efficiencies we have talked about have created a windfall profit situation for the railways — if anybody. And as far as the competition element of that agreement was concerned, or the equation was concerned I should say, we haven't seen any improved competition at any level by any railway operator.

We know for a fact that in order to achieve the third level of promise in that agreement — reduced rates — we have to have considerably improved competition. And, Mr. Speaker, that simply has not happened. Instead of competition we have seen consolidation in the rail business, and it has not produced the desired effect whatsoever.

I refer to a newspaper article that appeared in *The Leader-Post* on April 27 in which the Canadian Transportation Agency is referred to as having studied railway profits and freight rates from 1993 through 1998. And in that study the railways apparently passed along to producers only about one-half of the \$9 per tonne savings that they got from rate deregulation.

Well that is unconscionable in this day and age, especially when the very people who are most dependent on the railways — the people who are keeping the railways in business in terms of grain transportation — are suffering at increasing levels each

year. And every time an increase comes along, it is passed to the last person in the line. — that's the farmer. The squeeze that they're under now will not accommodate any more of these kind of cost increases.

And if efficiencies have produced \$9 per tonne in savings, I think the farmers deserve to see more than the pittance of that amount that they have seen to date.

I'd like to quote here from Jim Riegle, the CTA spokesman when this particular report was referred to. And he said that although reforms to the transportation system are outside of their jurisdiction, the CTA must establish the rate scale according to current formulas based on labour, fuel, material, and capital cost.

What this last rate increase suggests frankly, is that the cost to the railways have gone up significantly due to increased fuel costs. But if we use the same formula to determine what the price of a farmer's product ought to be, we wouldn't be able to afford to buy bread. If we could get the same formula in place for farmers, which considered the cost of labour, fuel, material, and capital cost, not only would bread be out of the reach of the average consumer, so would any other item grown on a farm.

These kind of formulas, created in a vacuum, do not work very well in situations like we have existing in agriculture today. And I believe that for the CTA to have made the decision they've made, and not take into consideration the bottom line impact a decision like this would have on the producers that are affected by it, is simply unconscionable. It's too roped. It's too mechanical. And it seems to have been arrived at in a vacuum.

The statistics or the information they're operating with might justify what they're doing, but the consequences are unjustifiable in the agricultural community.

Everybody knows that the grain transportation system and marketing system is in a state of flux, and in some cases, a state of chaos. Everybody knows that there's problems there. But unfortunately, it appears that we have decided that we can name the problems, but we cannot work effectively to achieve solutions. There are too many sacred cows in the system that cannot be addressed. And everybody has their own favourite one.

I'm reading, just now, from an article that appeared in *The Western Producer*, the March 16, 2000 edition. And it was written by Mr. Ray Foot who is the Canadian Pacific Railway's assistant vice-president of grain.

And he is saying in this article that:

No one will argue that the grain transportation and handling systems need fixing. No one will argue that any changes that are to be made to the system need to make the system more accountable. No one will argue that the system should be more responsive to shippers' needs, but first the system has to work for grain producers. Any savings found in a deregulated system have to go to grain producers first.

I find it ironic that a senior administrator for the railway would

make those kind of comments in an open forum in a letter that could be read far and wide, and yet we have the Canadian Transportation Agency, which is a government agency mandated by the federal government, could come out with a ruling that would just pass costs on automatically to the very producers that need protection under the current set of circumstances that faces the agricultural sector today.

Because of the constantly increasing costs of operation of which transportation is one of the highest, many farmers have taken very conscientious steps and made significant efforts to diversify and to move into crops that aren't going to require nearly the amount of transportation cost that standard grains like wheat and durum and barley and some of those types of grains has accrued to their operation in the past.

They've diversified. They've moved into crops that they can market themselves, that can be hauled with short hauls and save freight that way. They've moved into specialty crops that can be processed right close to home. They've moved into canola and other types of oilseeds that shouldn't require the amount of freight that regular grains have cost in the past . . . have cost their bottom line in the past.

But with this change in the freight rate that has been approved by the Canadian Transportation Agency, those costs are going to be applied to many of the crops that the farmers have been growing to avoid that very problem. And I think that once again the farm initiative shown by many people in our farm community, the very diligent efforts made by those people to help minimize the costs of transportation to their bottom line, are going to be whipsawed even greater by this particular freight increase.

The other thing I want to note is that this increase, although it's been approved, is a maximum and apparently will not come into effect until August 1. But by that time it's quite possible that the fuel — the formula has said is the main factor in these increases — may well be on its way down by that time. And for the CTA to rush into a decision allowing this kind of an increase without tracking where the fuel costs are going, I think is inappropriate as well.

We have seen these kind of decisions far too frequently in the agricultural sector made by people who are beyond the reach of the average producer. Decisions made to which there seems to be no appeal. And I feel that under the circumstances, we can do nothing more, or less, frankly, than to unite in this House in this motion that has been presented by the Minister of Highways and Transportation and ask that we deal with this motion in an unanimous way. Again, in complete agreement on both sides of the House, in a spirit of co-operation, recognizing the significance of working together for the betterment of the farm community.

Thank you, Mr. Speaker.

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

**Mr. Harper:** — Thank you, Mr. Speaker. Mr. Speaker, I guess it saddens me to have to enter into this debate because it saddens me to reflect on the announcement by the federal government yesterday of increasing the freight rates to our

farmers here in Saskatchewan. At a time when the farmers and the farm economy of this province is under pressure as a result of low commodity prices. We've experienced that and seen it first hand throughout this winter.

And I've had the opportunity over the long weekend to revisit my old stomping grounds, the Pelly constituency, or the former Pelly constituency I used to represent, and had the opportunity to talk to many farmers out there who are going into spring seeding. But they're doing it, Mr. Speaker, with a great deal of difficulty. They are experiencing cash flow problems simply because of low commodity prices.

(1445)

But as is quite normal for farmers in the springtime, if not year round but particularly in the springtime, there's always the hope, optimism of a better year next year. They were certainly looking forward to that this year. But once again, Mr. Speaker, the announcement of yesterday certainly pulls down their desires and their hope for the future, and their positive outlook I guess you would say, with the further announcement of increased costs to them. And probably a great reduction in their ability to continue to survive in the farming industry.

And it's sad, Mr. Speaker that this came about. But we must I think look at the history of this. With the loss of the Crow, then we certainly should have anticipated that this would happen. It saddens me, Mr. Speaker, to think that there are members in this House who are today suggesting that they are supporting the farm situation and they are supporting the farmers in their time of need, when they have quite a track record of being in favour of reductions of farm subsidies such as the Crow Rate.

And, Mr. Speaker, it saddens me to suggest that the Leader of the Opposition when he was an MP in Ottawa was one of those that stood first and foremost in favour of encouraging the federal government to continue a program of the reduction of farm subsidies.

In fact, Mr. Speaker, I will quote to you a comment made as recorded in House of Commons *Hansard* March 30, 1995 when the Leader of the Opposition then Member of Parliament said, and I quote:

For years farmers have been saying they do not mind doing their share and losing the rail subsidy.

Well, Mr. Speaker, it saddens me that elected people who suggest that they represent farmers, represent Saskatchewan people, have undermined . . . undermined the efforts of many of those who are involved in the farm political issues to try to sustain a level of support for farmers that would ensure the survival of farmers and ensure survival of the family farm — the way of life that has built this great province of ours.

And yet people from this province, Mr. Speaker, when given the opportunity to represent farmers in Ottawa actually undermined that and worked against him.

It saddens me, Mr. Speaker, that we have to deal with that because in a united, concerted effort from all political parties and all political stripes of this province we could stand united

and work with the federal government to introduce programs that would ensure the survival, the strengthening of a farm economy that is so very vital not only to Saskatchewan, but to all of Canada.

But, Mr. Speaker, that hasn't been the experience of the past. And, Mr. Speaker, it saddens me to have to actually be involved in this debate, because as I said earlier, the farm economy has been under some tremendous pressure. Farmers having to endure commodity prices, the lowest since the 1930s, while having to deal with the modern day cost and prices of things.

And we haven't seen, Mr. Speaker, any support in a real meaningful way over any period of time from those in the opposition benches. In fact, Mr. Speaker, what we see here today I believe is nothing more than political posturing, an attempt to use the situation of the recent announcement of yesterday to try to win some short-term political brownie points.

But, Mr. Speaker, I know that the many farmers in Saskatchewan who have followed this whole process of the agricultural . . . the politics of agriculture certainly realize that the Saskatchewan Party and their representatives, and the Reform Party and their representatives in Ottawa have been anything but supportive of the family farm concept.

In fact, Mr. Speaker, I have a copy here of the *Moose Jaw Times-Herald* dated June 2, 1995, where it says the Saskatchewan . . . And I quote, Mr. Speaker, the second paragraph of this articles where it says:

Saskatchewan Reformer Elwin Hermanson has asked the House of Commons agriculture committee to vote for an additional \$63.6 million (cut to agriculture subsidies for Saskatchewan) . . .

Well, Mr. Speaker, I just find it quite interesting that we have today the Leader of the Opposition — the same individual who was a Member of Parliament at that time — now standing up in the House and crying foul.

Well you can't have it both ways, Mr. Speaker. You can't ask for it and then cry foul when it happens. And that, Mr. Speaker, it just sort of, I guess you would say — and I won't use the words — but I guess you'd say it flies in the face of, well, reality.

And, Mr. Speaker, it certainly indicates to me that we have a political party that tries to pretend to represent farmers, but in the long run it has quite a track record of being anything but representative to farmers. In fact, Mr. Speaker, their policies and their record quite clearly indicates that they are a long way from supporting the traditional agriculture as we know it in this province — the agriculture of the family farm, the agriculture of communities, and agriculture of Saskatchewan.

Mr. Speaker, it saddens me to have to participate in this debate. It saddens me to even have this debate take place in this House because our family farms have been the hallmark, I guess you'd say, of Saskatchewan. It was our pioneers that suffered through some very tough times; that built this great province of ours. They're the foundation of this province of ours.

And they are now under increasing attack, not only from the federal government who seems to not have a clear understanding of what the situation is here in Canada, in Western Canada and in Saskatchewan, but also by the opposition party here in this province that has been anything but helpful in this whole process.

Mr. Speaker, I just want to say that I would be very happy to support the motion brought in by the Minister of Highways. It is something that I think needs to be addressed sooner rather than later, because the last thing our farmers need in this province is one more hit in the pocketbook. And that's exactly what this will represent.

Thank you very much, Mr. Speaker.

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

**Ms. Harpauer:** — Thank you, Mr. Speaker. Farmers in Saskatchewan do indeed contribute greatly to both the provincial and the national economies of Canada.

This province, agriculture exports are by far the largest category of exports, accounting for approximately 46 per cent of our total exports. Agriculture also contributes 10 per cent of our provincial gross domestic product, and directly and indirectly agriculture is connected to 40 per cent of our all our jobs in this province.

A \$320 million decrease in freight subsidies took effect in August 1995, and the loss of the railroad productivity sharing is costing Saskatchewan farmers over \$100 million annually. The Crow buyout and strong farm prices initially masked the effect of the cuts in the years immediately following their introduction. Now that the world market prices have decreased, the true impact of the federal cuts is hitting home hard amongst our Saskatchewan farmers.

Saskatchewan farmers cannot adjust to income loss from federal policy changes at the same time that international subsidies are devastating our commodity prices. The freight rates for wheat in the Yorkton area of Saskatchewan were \$11.58 per tonne during the '94 and '95 crop year. Freight rates for wheat from Yorkton for the '99-2000 crop year will be \$35.75 per tonne, which is a triple in the cost for the farmers.

I know from my own farm operation, we had just shipped out some carloads of malt barley, and out of a cheque of \$18,000, our take home after freight was only \$10,000. So it is just under half of the money that we had worked hard to earn had gone towards freight.

In addition, the federal government has not examined rail freight costs since 1992. Previously, costing reviews were conducted every four years to ensure cost savings achieved by the railroads were shared with producers. Having a costing review was completed in 1996 as indicated by the WGTA (Western Grain Transportation Act) before it was eliminated. It is estimated that productivity gains captured by the railroads would result in a \$100 million profit going back to the Saskatchewan producers in 1999. The costing review in 1996 would have reduced the freight rates by about \$5 per tonne.

The federal government needs to take immediate action on this and other freight issues to ensure that the producers benefit from past and future productivity gains in the same manner that could or would occur in a truly competitive environment. Instead the federal government are allowing the CTA to increase their freight rates.

It's interesting, Mr. Speaker, that in this country it seems like the Mounties always get their man and the railroads always get their way. I believe that up until now our provincial government is no better in allowing this to happen than our federal government. If this government is as committed to farm families as they claim, then why did they not get their Liberal coalition mates to speak to their federal cousins regarding the increases of costs before now?

Recommendations by the Kroeger and the Estey reports stated that there should be more competition and less regulation. Indeed these two reports have been available for review for a long time now, and they provide a great number of recommendations on how to address the problem of the increased transportation costs for our Saskatchewan farmers. But these recommendations have yet to be implemented.

The federal government has ignored them and this government has ignored them. It needs to stop relying on the federal government to solve all their problems, take some initiative, show some leadership, and stop protecting their friends on the Wheat Board.

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

**Ms. Harpauer:** — Since 1994 when the Crow was cancelled and the federal Liberals . . . by the federal Liberals, there have no strides made to recover the loss for our farmers by either level of government. Our provincial government just let it slide until we are now in an income crisis in rural Saskatchewan. Just like they let things slide when they took away GRIP (gross revenue insurance program) and didn't replace it with another program.

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

**Ms. Harpauer:** — Oh, yeah, last year our Premier did say that he was going to write a letter to the Prime Minister regarding this issue and ask that freight rates be reduced by \$5 a metric ton. But if that letter was actually sent, it obviously didn't help, and there's been no indication by our government that it was followed up on or pursued by any manner whatsoever.

The truth of the matter is even if this government says that agriculture is a priority, even if they say that they've heard the voice of rural Saskatchewan, up until now they've done little or nothing of any consequences to address these issues. Willard Estey said himself, the farmers must unite to lobby for better freight rates or watch their industry's demise.

Our Government of Saskatchewan should be our strongest lobbying tool for everyone in the province. It is their responsibility. Up until now the NDP coalition government has failed miserably in lobbying the federal government. So I am very pleased that they have now put forward a motion and taken this opportunity to make things right.

I therefore will be supporting the motion put forward by the member from Meadow Lake.

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

**Hon. Mr. Romanow:** — Mr. Speaker, I was torn about participating in this debate, anticipating that the words in support of this motion would result in a unanimous direction by the Legislative Assembly on this very important issue — which, I will hasten to add, I still hope will be the outcome and the objective and the end result of today's proceedings.

But I am prompted to enter the debate based on the words of the last speaker trying to set out agricultural policy in a way which on the one hand is critical of the provincial coalition government as she describes it, and on the other hand is also critical of the federal administration.

And what prompted me, Mr. Speaker, to get into this debate is the argument about consistency. The argument that we should be speaking with a united voice. And this is something that this side shares and I very much support.

(1500)

I believe that when this Legislative Assembly, on any major issue — this is a major issue of transportation we're talking about, the 4.5, 4.6 per cent increase announced today — but on the general issue of transportation, or general other issue, when we speak unitedly, we speak with strength, and Ottawa gets a clear message about what the Legislative Assembly of Saskatchewan and what the people of Saskatchewan of all political ideologies and stripes believe in.

What happens is when we pass a resolution and subsequent to the resolution one or other of the parties takes a different position to Ottawa, what happens is when in speaking to this resolution, as the hon. member from Watrous just did — set out two different positions in this regards — what happens then is that Ottawa takes a very, very jaundiced view of the importance of this issue.

Now the hon. member opposite gets up in her remarks and she says that the provincial government should be chastised for our agricultural position. And she identifies two issues, failing of course, failing of course to recognize the position taken by her party in two areas which result in the confusion by the House of Commons in Ottawa.

One issue is the question of the Crow rate. The hon. member from Maple Creek got up today in what I thought was a very thoughtful presentation. I didn't agree with it totally, but he talked about the damage of the Crow rate and how the Crow rate and transportation impacted negatively on Western Canada and on Saskatchewan people.

I want to tell the member from Maple Creek, he wasn't in the House, but at every stage of the game, 1995 and pre-1995, this administration consistently in the House and outside the House said, the Crow rate must not be touched. It's a Confederation bargain. The farmers in Saskatchewan cannot be . . .

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

**Hon. Mr. Romanow:** — We never deviated from that, we never deviated from that position once — not once. And then I see on March 6, 1995 the following, Mr. Speaker — this is my example about when we failed to talk in united voice. Speaking to the *Rosetown Eagle*, the following statements are made, quote, “There are benefits . . .”

**The Speaker:** — Order, order. Hon. members, please. Please allow the member on their feet to be heard. All members will have an opportunity to participate in debate.

**Hon. Mr. Romanow:** — Mr. Speaker, I have here before me the *Rosetown Eagle* of March 6, 1995. And I want to again repeat what I said just a few moments ago that before 1995, consistently this government has fought for the maintenance of the Crow rate. We fought for the maintenance of the Crow rate in 1981, 1982, even in that provincial election which we lost. And we maintained it right straight across the piece.

And then lo and behold, on March 6, 1995, in an interview given to the *Rosetown Eagle* we see the following, quote, “There are benefits . . .” The writer is Dale Barber. “There are benefits to losing the Crow benefit.” I’ll read those words again:

There are benefits to losing the Crown benefit. Kindersley-Lloydminster MP Elwin Hermanson said it will encourage development in the West.

“There will be more incentive now not to ship grain out and to look at diversification,” Hermanson said.

“Livestock operations will increase and people will look at methods to add value to their products,” he said.

That is the quotation.

Continuing on from the *Rosetown Eagle*: And Boyd, referring to the current member from Kindersley provincially, quote:

And Boyd said it is something (it referring obviously in the story, Mr. Speaker, to the abandonment and removal of the Crow rate) that should have happened 20 years ago. But the change coming now with only a \$1.6 billion cushion attached is a little like tough love.

Now I will not recite for the hon. members opposite a little lecture that the current member from Kindersley provincially gave us about the meaning of tough love at the time of the December session of the legislative session, but it is available for anybody who wants to take a look at *Hansard* in this House of December 7, 1999.

So here we have the member from Maple Creek making the argument that the Crow rate damaged rural Saskatchewan, rural Canada, farmers. And he made it very effectively, very eloquently, and very intellectually and very honestly.

The current Leader of the Saskatchewan Party, when he was the agricultural critic for the Reform Party, said the converse as is quoted there in the *Rosetown Eagle*. And to this date, to the best of my knowledge, has never, ever apologized or withdrawn those remarks.

And the hon. member from Watrous has the strength — if I can use that word rather diplomatically — to get up in this House and accuse this government of not standing up and fighting for the farmers. I say we are standing up and fighting for the farmers because we are talking with one concerted common voice. We support the Crow rate; that group fought for the Crow rate to be abandoned. They’re the ones who spoke with two tongues — two tongues.

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

**Hon. Mr. Romanow:** — So, Mr. Speaker, that is the abandonment of the Crow rate and the . . .

**The Speaker:** — Order.

**Hon. Mr. Romanow:** — Mr. Speaker, that’s the Crow rate. But I tell you what really provoked or encouraged me to enter this debate for a short few moments.

When the hon. member from Watrous got up and said in her continued attack on the provincial coalition government and this theme and this debate that the provincial government should endorse the Estey-Kroeger report because, she said, Mr. Justice Estey and Kroeger support the two principles of competition and deregulation. She said that — unless I misheard her.

*Hansard* will tell whether or not those words are the correct words in the next day — competition and deregulation. And that, Mr. Speaker, is exactly at the core of this debate. We are in this position because the federal government has over the years adopted a policy of competition and deregulation.

There was a time in the Canadian government when transportation was viewed as a positive tool for economic development for farmers and others; when it was used as a positive tool for social development and community development. It was a time when the National Transportation Agency and the National Transportation Act was viewed as a way in which to build Canada and to maintain an independent, strong Canada — not one subsumed by the United States.

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

**Hon. Mr. Romanow:** — And so years ago in the House of Commons they introduced an amendment to the purpose of the National Transportation Act, and the fundamental amendment in setting out the mandate of that NTA (National Transportation Act) was to shift it from a positive tool to be used by the people of Canada to benefit the people of Canada to one of competition and deregulation.

And it only makes sense, Mr. Speaker. We have 31, 32 million people in Canada; we’re less than the size of California. We are trying to build a country from sea to sea of varying economies, and right here in the middle of Western Canada, in the middle of the western North American Plains we are trying to build and maintain and to encourage a farm economy of which transportation has got to be one of the key components.

Now how in the world can anybody supposedly getting up to speak in the interests of farmers says that there is going to be



true competition when there is no competition — with the exception of trucking perhaps — to the railways. If the railways are the sole carrier of transportation, then they are the monopoly delivery system with respect to transportation.

When you have competition, Mr. Speaker, in transportation, you have intermodal — intermodal — competition. You have trucking competition in competition with the rail. You have the seaway in competition with the rail and the trucking. You have a variety of intermodal competitions.

But when you are landlocked, when you have huge geography, when you've got large distances to travel, when you've got environmental considerations to concern yourselves about, when you've got communities to protect, when you've got the known, cheapest way to transport commodities of this nature to be rail, when you have to worry about saving the costs on highways and the damage created by trucks and the extra costs on fuel — they're tabling petition after petition after petition on fuel because of the deregulation and the shift from rail onto trucking — Mr. Speaker, how in the world can you have competition?

If you believe that, I've got one of several bridges in the city of Saskatoon to sell you very, very cheap. Very cheap.

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

**Hon. Mr. Romanow:** — And when she talked about competition and deregulation and urged us to accept the Estey-Kroeger report, remember, Mr. Speaker, and let the farmers remember that there are many components, but two major components of Estey Kroeger under that Saskatchewan Party's policy of competition and deregulation.

The first policy is this, the first policy is that the efficiency, the \$5 per tonne that she mentioned should be paid back to the producers, the farmers. With that, I agree with her. With that, I agree with Saskatchewan Party. And that is the position taken by this coalition government and by this government. That's exactly the position.

But there is a second component to Estey Kroeger which, of course, fits in neatly to this free enterprise, right-wing collection of people who would see agriculture in Saskatchewan transformed to the American style. And that is the second component of Estey Kroeger; that is this — her words respecting the Canadian Wheat Board.

The second component, the second component to Estey Kroeger would simply say this, Mr. Speaker, the second component would say . . . Mr. Speaker, I know they don't want to hear this because they have an allergy to a dose of truth. But I'm going to get this message out, Mr. Speaker. I'm going to get this message out.

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

**Hon. Mr. Romanow:** — There is a second component, there is a second component to the Estey-Kroeger report which is tied into the Canadian Wheat Board. And that second component, Mr. Speaker is the fact that what Mr. Kroeger is recommending, in essence, is that the Canadian Wheat Board's control over the

allocation of grain boxcars if not be lessened, be absolutely totally removed.

He argues now that the shipment of grains should be conducted by the grain companies. He argues that the Canadian Wheat Board should not have its role traditionally from the elevator, the country elevator, straight through the Canadian system, Vancouver . . . (inaudible) . . . and out to the market. That's what he argues.

And that is what she is arguing on behalf of Saskatchewan Party. Their position is to say take away the Canadian Wheat Board. In effect if you take away that power of the Canadian Wheat Board, you destroy the Canadian Wheat Board. That's their position; that's not our position. We do not believe in destroying the Canadian Wheat Board.

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

**Hon. Mr. Romanow:** — And so now we find ourselves in the situation where if you're in Ottawa and you're a federal government and you're listening to the farmers of Western Canada or Saskatchewan speak to the issue of the Crow rate, you have our government, our government consistently saying save the Crow rate.

You have in the Saskatchewan House other voices of the Reform Party — as it then was the member, the agriculture critic, now Leader of the Saskatchewan Party — saying no, it could be a good thing to be done away with. You have the Leader of the PC (Progressive Conservative) Party — as he was provincially then in 1995, the member from Kindersley — he says no, do away with the Crow rate.

Is it any wonder that Ottawa can look back and say in Saskatchewan there's a house divided — there's a house divided. The people of Saskatchewan say — by the Leader of the Reform Party and the member from Kindersley — you can do away with the Crow rate. And guess what happens, Mr. Speaker? Surprise of surprise — they do away with the Crow rate and that side welcomes doing away with the Crow rate.

But, Mr. Speaker, I want to close on this point. The larger aspect of this debate, Mr. Speaker, relates to the question of this competition and deregulation theory. Deregulation theory — this, Mr. Speaker, is the biggest threat, the biggest threat to farmers and Canada that there may be.

If they believe that through . . . Mr. Speaker, Mr. Speaker, I cannot hear myself, and I'm losing my voice.

(1515)

**The Speaker:** — Order. Order.

**Hon. Mr. Romanow:** — Mr. Speaker, the most important aspect of this debate is the competition and deregulation aspect, and Estey Kroeger in the larger context. That is the most important giveaway of where these people opposite stand.

And I say to you, Mr. Speaker, the following as my vision of Canada. My vision of Canada is that in a Western Canadian setting, there is always a role and a need for vigilant federal

government — and yes, provincial government — to make sure that those who are held captive to the transportation system or the international subsidies' wars or any other agricultural factors at least to have the government come to their aid as best as that government can come. That is the belief and the philosophy of this government.

We think that today's decision by Ottawa is a paramount example of competition and deregulation which does not apply. It is a natural outflow of the views contained by people in this House and outside this House, and it's a view that we reject.

Instead, Mr. Speaker, what we should be doing is the following. We should be voting in favour of this motion unanimously so at least we can send the motion down to the Prime Minister and all the agencies, and say we are loud and clear, no to this 4.5 per cent. And I'm still hopeful that the Leader of the Opposition and the party members opposite will agree to that.

But we need to do something else. We need to decide as Saskatchewan people that there needs to be a comprehensive transportation policy dealing with short lines, dealing with the question of whether or not Kroeger is to be accepted or to be rejected, as the member from Watrous has raised.

We need to be dealing with the question of roads and support good roads. We need to be dealing with the question of rail line abandonment and stopping it. And we need to be saying to the CP and the CN, you have made profits off the backs of Saskatchewan farmers all your lives. No more! There is a public interest that you can . . .

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

**Hon. Mr. Romanow:** — And so, Mr. Speaker, a good first place to start is to pass this resolution. And the federal government then has the power, as we know by law, they can reject the resolution of the CTA; they can amend the resolution of the CTA; cabinet is under no obligation to accept the CTA. We can say loudly and clearly to them in a letter drafted by you or drafted by the Leader of the Opposition and myself, or whoever we want to structure it, to make sure that this particular 4.5 per cent matter is finished and rolled back.

And then what we need to do is come to terms thereafter, during this session, early, to debate the fundamental concepts and visions of competition, deregulation, the future of Western Canada, and where the people of this province stand on this important issue. Because we believe that there is a role for government and we do believe in the family farm and agriculture in Saskatchewan. And that's why I shall be voting in favour of this motion.

Thank you.

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

**Mr. Hermanson:** — Well, Mr. Speaker, I've heard one of the most disappointing, unfaithful presentations in this House since my election in September.

Mr. Speaker, I'm truly disappointed in the response from the government. The mismanaged approach to this debate, the lack

of focus, the lack of concern, and the cruel partisanship that they showed in this debate.

Mr. Speaker, the record must be set straight. Mr. Speaker, I'm going to speak slowly so the government can understand the words that I say.

Mr. Speaker, who is the key spokesperson for the government side? The Premier. The man who when he wasn't elected went around happily foreclosing on the farmers of Saskatchewan. That's the man who's speaking on behalf of agriculture on the government side. That's the best they can bring to this House, that's the best they can bring to this debate — Mr. Speaker. Shows a sad state of affairs on the government side.

Mr. Speaker, I was appalled when the member for Regina Northeast began to quote what I had said in the Parliament of Canada, and he followed he leader, the Premier, in not exactly misquoting but stopping in the middle of sentence, which in my opinion is as bad as misquoting what someone says. Mr. Speaker, what the member for Regina Northeast did, is he said, he quoted me this far, he said:

For years farmers have been saying that they do not mind doing their share and losing the rail subsidies . . .

And that was the end of his quote, Mr. Speaker.

Mr. Speaker, I think it's only fair that I read the entire sentence into the record of this House. Don't you think that that's fair, Mr. Speaker? What I said in the House of Commons was:

For years farmers have been saying that they do not mind doing their share and losing the rail subsidies if other subsidized agencies do the same. Farmers have been hit with a 30 per cent loss to their safety net programs and the entire loss of their transportation subsidy in the west.

I went on to say:

At the same time the CBC (Canadian Broadcasting Corporation) only gets kicked with a 4 per cent reduction in its subsidy. Does the government feel that a 4 per cent cut to the CBC is comparable to 100 per cent to grain transportation?

And then I went on to say in the House of Commons, Mr. Speaker, when I was speaking for farmers in Saskatchewan and this is direct from *Hansard*:

The removal of the Crow subsidies appears to have been a last minute decision. It appears pressure was put on the Minister of Agriculture to find more savings and so he axed the Crow without thinking through and planning the implications. The Minister of Agriculture called it a buyout, but the value of the WGTA is much higher. Some suggest it is more like \$7 billion rather than the 1.6 billion. He should have more accurately called a Crow buy off at fire sale prices because the federal purse has been mismanaged so many years by Liberal and Conservative Finance ministers they simply do not have the money for a real buyout.

Mr. Speaker, I said earlier in my speech:

For instance the agriculture industry in Western Canada is hit harder than any other industry. The loss of the Crow benefit will have obvious long-term effects on the industry.

The gasoline tax will hit farmers particularly hard. Farming is a very fuel-intensive industry and travel is a necessity in rural areas. The government has increased the input costs for farmers, increased the cost of getting the product to market, and offered no hope of tax reduction in the future.

Mr. Speaker, this was in the budget debate where the Crow rate was cut. Mr. Speaker, what the government fails to tell the people of Saskatchewan, or how they've misled the people of Saskatchewan, is that I and my colleagues voted against that budget. We voted against the axing of the Crow because we knew it wasn't fair to the agriculture sector. They have misrepresented that position. They have not told the truth about what I have done and said on behalf of farmers.

Mr. Speaker, it was an election issue. And in fact, the CBC researched — researched — what I had said and they told the people of Saskatchewan prior to the election that what the NDP were saying about my voting record, my position on the Crow rate was absolutely contrary to the facts, Mr. Speaker. And yet they will not apologize.

The people of Saskatchewan are not fools like the NDP would have us believe. That's why they did not win rural seats in the last provincial election. They have a lot of nerve, Mr. Speaker, preaching to the opposition who won most every rural seat in Saskatchewan, saying that we don't understand the industry, saying that we don't represent them; and they couldn't even get any votes, they couldn't even elect any members in rural Saskatchewan.

In fact, Mr. Speaker, they've done so poorly that their support in urban Saskatchewan is falling as well. It's because of the way of they argue, black is white and white is black, the way they misquote, the way they partially quote, the way they misrepresent what the official opposition is doing in the province of Saskatchewan.

Mr. Speaker, I spoke to agriculture spending in the House of Commons. And I pointed out where the Minister of Agriculture — perhaps will be the future colleague of the Premier of Saskatchewan if the rumours are correct and he does join the federal Liberal Party — but the Minister of Agriculture, Mr. Goodale, the only representative from Saskatchewan currently in the House of Commons, viciously cut agriculture spending.

And I was a critic, Mr. Speaker, of the cuts that he made to agriculture, of the way he cut the Crow rate. And, Mr. Speaker, I would say that the position that we had taken with regards to the funds of the Crow rate were prior to the signing of the last WGTO (Western Grain Transportation Office) to transfer those funds into a trade distortion adjustment program so that we would be able to go toe to toe with the Americans and the Europeans if they do not cut their subsidies and they continue to pour billions of dollars into their industry.

Mr. Speaker, had the Government of Canada done that, we

would not be in the vulnerable position that we are in today where we look helplessly as the Americans pump billions of dollars into farmers just across the line in Montana and North Dakota, and the Europeans put more billions of dollars of subsidies into their agriculture sector.

And we sit here in Canada and we wring our hands and say what can we do. Well we could of done something, Mr. Speaker; I was part of a group that suggested what we should do. We were criticized by the NDP both provincially and federally, and the industry has suffered drastically as a result.

Mr. Speaker, not only did I vote against the dismantling of the Crow rate, but I also voted against the implementation of the current Canada Transportation Act, the Act that is causing freight rates to be increased today — the announcement today — the reason for this entire debate.

Mr. Speaker, when we were in the House of Commons, we had representation from many organizations, many people in the industry, and the Bill was called Bill C-14. Mr. Speaker, I was able to sit on a committee that heard representation from shippers, from agricultural organizations throughout Saskatchewan.

And I want to quote again from *Hansard*. This is March 26, 1996. And I've said:

Prairie producers have to ship their commodity, primarily grain, through rail as it is the only commercially feasible means of transportation that they have. They are captive to two railways, and at most times one railway. They have no opportunity to take their commodity down to the station to decide on which rail line they want to ship their products. That puts them in a category which is classified as being captive shippers.

I went on, Mr. Speaker, to say:

A number of shippers appeared before the committee. I have a partial list of those shippers which is the who's who of the shipping industry and farm organizations across the country.

I'm going to list a group of organizations which have stated their public concern or opposition to subclauses 27(2) and 27(3). They include the Alberta Wheat Pool, the Saskatchewan Wheat Pool, the Manitoba Pool Elevators, the United Grain Growers, the Canadian Wheat Board, the Pioneer Grain Company, Cargill, the Western Canadian Shippers Coalition, the Canadian Dehydrators Association, the Canadian Fertilizer Institute, the Western Grain Elevator Association, the Canadian Federation of Agriculture, the Saskatchewan Association of Rural Municipalities, the National Farmers Union, Southern Rails Co-operative, the Canadian Chemical Producers.

Mr. Speaker the list goes on. These were shippers representatives that we heard and listened to. And as a result we voted against the creation of the new Canadian transportation Act which created a Canadian Transportation Agency which is allowing the increase of freight rates today.

Mr. Speaker, I think my record speaks for itself as long as they don't distort the record. But, Mr. Speaker, that's what they've been doing; they've not been telling the truth about the stand that I have taken in the past on behalf of agriculture. Mr. Speaker, I understand partisan debate and they can attack me for my position on the Canadian Wheat Board. I think it should be a voluntary marketing board.

And, Mr. Speaker, their own government took away the monopoly on marketing hogs in Saskatchewan. So why is it okay to do it for one sector of the industry and not the other? Mr. Speaker, they're not consistent; but if they want to attack me on that basis, let them go ahead and I'll fight that political battle.

But, Mr. Speaker, when they misrepresent what I say, when they misrepresent how I voted in the House of Commons, when they partially, when they partially quote me in the House of Commons to mislead the people of this province, Mr. Speaker, that is unacceptable. And that is the reason why they fared so poorly in rural Saskatchewan; and that is the reason why they will go down the tube in urban Saskatchewan as well.

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

**Mr. Hermanson:** — Mr. Speaker, they also like to quote me from *The Western Producer* with a headline, and I didn't write the headline, but it says "Reform presses for more agriculture cuts". Mr. Speaker, we were doing estimates and I think the members opposite know what estimates are; and a lot of the spending is statutory, there's no votes.

But there are votes in a few areas and at the Agriculture Committee I moved three motions to reduce spending in three areas, not one of which negatively impacted Saskatchewan. None of them hurt the agricultural industry. But yet they would quote this headline and selective parts of the article to try to make it look like I voted for a reduction of funding for agriculture.

Mr. Speaker, the Department of Agriculture reduced its staff substantially. Its operational funding though remained equal to what it was when they had a much higher staff. What they were doing was bloating the bureaucracy, the federal Department of Agriculture. And I voted to reduce the spending for bureaucrats in line with the reduction of services and the reduction of staff in the Department of Agriculture. I still think that was the right thing to do; it was a responsible position.

(1530)

Mr. Speaker, when they cut the Crow rate and brought in the transition program they also brought in a feed freight assistance program to help Atlantic Canada. And then later on they made some amendments to their decision, decided to fatten up, to top up the feed freight assistance program to Atlantic Canada. But they didn't do the same for the transition program for the Prairie provinces, for Saskatchewan.

So I voted against that expansion to the feed freight assistance program because it wasn't fair, Mr. Speaker. They brought in a package, they changed it halfway through — something this government knows a lot about — changed the rules halfway

through, and so, in good conscience and for the betterment of Saskatchewan, I voted against that change.

And the third area I voted against was for capital projects — for projects that the department were planning that weren't even approved by Treasury Board. They had no idea how they were going to spend the money or whether they would get approval. And I felt as an elected representative of the taxpayers I had no choice but to vote against that estimate.

Not one of those votes impacted transportation costs, input costs, safety net programs, research, development — all the things that are important to the agriculture industry here in Saskatchewan or, in fact, across the country, Mr. Speaker.

Now, what's the record of this government on agriculture? I think my record's not too bad. I don't mind debating it, and they can argue with me about the Canadian Wheat Board or they can argue with me about safety nets. I would be happy to go enter into that debate as long as they don't distort the truth.

But what's the record of this government, Mr. Speaker? Look what they did to the GRIP program — after the contract deadline. The Premier cancelled the program, took over \$500 million out of agriculture, and we have never recovered as a province.

Mr. Speaker, sent over \$300 million back to Ottawa. We can't get money from Ottawa for health care. We can't get money for highways. We can't get money for the needs of this province and he sent money back to Ottawa because he cancelled the GRIP program. And he took over \$200 million that he had allocated for agriculture back to himself and then he said later on he would restore some kind of a safety net program.

Mr. Speaker, he didn't keep his promise. Mr. Speaker, he broke his word to the province of Saskatchewan, to the producers of Saskatchewan, and look at the results. Last year, the year of crisis, income levels for Saskatchewan agriculture producers were a negative number.

Manitoba, who had replaced GRIP with an expansion of crop insurance . . . yes, they were in trouble, but they had a 30 per cent of normal income level. Alberta, which replaced GRIP with a FIDP (farm income disaster program), they were up to 70 per cent or better. Hardly any bankruptcies in the province of Alberta. But what did our Premier and his government do? Cancelled GRIP; never replaced it; never apologized for breaking a contract, Mr. Speaker; left farmers in the lurch, and they're still suffering because of this action of cancelling the GRIP program.

Mr. Speaker, and then on top of that, we have the highest taxes of the Prairie provinces in Saskatchewan. And farmers do pay taxes. The Premier may not know it, but they do pay taxes. They pay sales taxes, and they saw their sales taxes expanded in this budget.

And, Mr. Speaker, and then we have lease rates going up, input costs to producers. He said in the Throne Speech he was going to look for ways to lower input costs and yet he is directly increasing the input costs of producers for the agriculture sector.

Mr. Speaker, he should be ashamed of himself. He shouldn't be standing up in the House and pointing at the opposition. He should be apologizing to the people of Saskatchewan, the farmers of Saskatchewan who he has betrayed.

Mr. Speaker, Mr. Speaker, he ended the monopoly. He ended the marketing monopoly for hogs, and yet he doesn't understand that the marketing monopoly for Wheat Board grains also has to be changed.

Mr. Speaker, back in the old days there was a single best-selling agent and, Mr. Speaker, there were state-trading enterprises that bought the products of our country. China and Japan and the Soviet Union were some of those. It doesn't happen any more. The whole world economy is changed but this government is back in the '50s and the '60s, and they have put shackles on farmers so they couldn't market their products. They have supported the monopoly of the Canadian Wheat Board.

And, Mr. Speaker, I'll go to any community in rural Saskatchewan and debate that issue with the Premier of this province because it's a losing argument for the Premier. The people of Saskatchewan want voluntary marketing. Yes, they want the Canadian Wheat Board but they don't want to be stuck alone with the Canadian Wheat Board.

Mr. Speaker, we have the AIDA (Agricultural Income Disaster Assistance) program — the mother of all bureaucratic goof-ups. Mr. Speaker, his former minister, Mr. Upshall, made a huge mess in negotiating the AIDA program. Where is Mr. Upshall? Well he's not sitting in the benches across the way because the member from Watrous . . . the member for Watrous who just spoke in this debate replaced the former member, the Premier's former Agriculture minister.

And what has the current Agriculture minister done? He has absolved himself of all responsibility of the province as the provincial Minister of Agriculture. He has said that the province can't do anything. It can't do anything about GRIP. It can't do anything about input costs. It can't do anything about marketing. It's all up to the federal government to fix the federal, international trade problem. And we recognize the federal government has a role to play there.

But the Minister of Agriculture, the current one and the former one — like Pilate — washed their hands of all responsibility. Mr. Speaker, they should be ashamed of betraying the farmers, the farm families, the farm communities of this province.

Mr. Speaker, when you look at the facts, when you set aside the rhetoric and you look at the facts, the Saskatchewan Party has shown leadership in agricultural issues. We've been out to rural communities and we have talked with the voters. They understood it because we were telling the truth and they elected many of my colleagues.

Mr. Speaker, people in urban Saskatchewan also heard what we were saying and our support increased substantially to the point where the NDP almost lost some of their strongholds in the last election.

Mr. Speaker, I am the one who believes that the truth wins in the long run. Mr. Speaker, in the long run, the truth speaks for

itself. They can fabricate, Mr. Speaker, they can partially quote, they can misquote; but they can't hide their record, Mr. Speaker. Their record is a disaster. The Saskatchewan Party's record on agricultural issues speaks for itself.

Mr. Speaker, I would ask in closing, I would ask in closing that the government side be a little more careful when they're dealing with facts, be a little more careful because there is a record, there is proof, and they will have to answer for their errors. They will have to answer for their behaviour.

Mr. Speaker, this could have been a very constructive and it could have been a very positive debate. We could have had an unanimous resolution passed but the member from Regina Northeast decided to take to a different path. I think he's formerly from rural Saskatchewan. He should have known better but he didn't. He began to partially quote, he began to attack the official opposition, the ones that the people of Saskatchewan know are standing up for this province and working very hard on their behalf.

Mr. Speaker, therefore I would move an amendment to the motion. Mr. Speaker, I would move, seconded by the member for Thunder Creek:

That the following be added after the word "agency":

and condemns the provincial government for failing to make agriculture a priority and failing to implement its promises to farmers made in the Throne Speech.

Thank you, Mr. Speaker.

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

**Mr. Wartman:** — Thank you, Mr. Speaker. Mr. Speaker, I just . . .

**The Speaker:** — Order. Order, order, please. Order. We have a proposed amendment to the motion. I'm sorry. I apologize. There's an amendment moved by the member from Rosetown, the Hon. Leader of the Opposition, seconded by the member from Thunder Creek.

That the following be added after the word "agency":

and condemns the provincial government for failing to make agriculture a priority and failing to implement its promises to farmers made in the Throne Speech.

Is the Assembly ready for the question?

**Mr. Stewart:** — Thank you, Mr. Speaker. The Canadian Transportation Agency, the CTA announced the four and a half per cent increase in the maximum rail rates for the 2000-2001 crop year. So as of August 1, the cap for a typical freight rate will rise to approximately \$34 per tonne. They cited higher fuel prices as a major reason for the increase. The current economic climate in Saskatchewan, in agricultural Saskatchewan, simply can't tolerate a freight rate increase at this time.

The industry is waiting for the federal government to act on recommendations to improve transportation in the grain

industry; an industry that generates about \$12 billion a year in economic activity in western Canada.

Farmers should be seeing a decrease in their freight rates since the CTA study released last year found that only \$4.50 of the \$9 per tonne in savings has been realized from some rate deregulation that's been passed on to farmers.

Railroad profits have been substantial. Their main reasons for asking for increased freight rates are fuel prices. And this at a time when fuel prices are beginning to drop.

But in 1995 when the Crow rate was cancelled by your friends over there in the federal Liberal Party and the Premier's new caucus mates, if the media reports are to be believed, there have been no attempts made to recover the loss. No attempt made to increase competition or incentive for railroads to be efficient.

It's worth mentioning that over 20 years ago there was a Crow buyout offer on the table worth about \$7 billion, but this government refused to negotiate. They fought this. Pretty soon the federal government started reducing the offer by about a billion dollars a year until the payout practically disappeared or was reduced to about \$1 billion. In other words we lost \$6 billion on that deal.

Six billion dollars would have made a huge difference in the economy of rural Saskatchewan and Saskatchewan as a whole. And who would suffer from this, this stubbornness from the party opposite? The farm families of Saskatchewan, that's who.

Will we have to wait another 20 years before anything is done? I don't think so. I don't think so because the government will be changing long before then. If this government was as committed to farm families as they claim, then why are they not getting their Liberal coalition mates to speak to their federal cousins regarding the increased costs in transportation and to encourage the feds to implement recommendations of the Estey and Kroeger reports.

Since 1995, when the Crow rate was cancelled, how have things improved? Service has deteriorated; the roads are falling apart; short-line railroads are reluctant to invest in Saskatchewan for a number of tax and labour reasons, as well as a government that maintains an anti-business attitude.

This government has had years to find some solution to this growing problem but it's not a priority. Their priority is imposing hidden taxes on the people of Saskatchewan.

Recommendations by the Kroeger and Estey reports stated that there should be more competition and less regulation. What steps has this government taken to implement some of the recommendations from these two reports? They should stop relying on the federal government and take some initiatives, show some leadership, rather than protecting their friends at the Canadian Wheat Board in Winnipeg at the expense of Saskatchewan farm families here.

This government claims that they hear the voices of rural Saskatchewan but once again they've just turned a deaf ear on the pleas of rural Saskatchewan. The current system is not working. An example of this is in the 1996-97 shipping year

when there was a massive system failure, when little grain was being transported — lots of potash, lots of sulphur, lots of coal, Japanese cars were still coming the other way, but no grain. And serious failures in the system continue to occur with alarming regularity.

The Kroeger and Estey reports have provided a road map on how some of these problems can be solved and it is the responsibility of this government to lobby the federal Liberals to address these issues. This government should reverse its position and ask the CTA to consider policy reforms recommended by Justice Willard Estey and Arthur Kroeger that proposed a more commercial and competitive transportation system.

(1545)

Without these reforms the CTA must establish a rate scale according to the current formula based on labour, fuel, material, and capital costs. Their hands are tied. They can't do it any other way.

And this government continues to resist reforms to the transportation system, to protect the powers of the Canadian Wheat Board at the expense of Saskatchewan farm families and the economy of Saskatchewan in general. There is no incentive in the system for anybody to perform, and so an increase in the price of fuel just gets added to the cost of transporting grain. Yet this government continues to drag its feet on transportation reform.

Jim Feeny, a CN Rail spokesman, said and I quote:

I understand the pressures farmers are under but with the regulated system we have now, this is one of the things that we as an industry are faced with.

What more evidence does this government need before it takes . . . it breaks off transportation reform and encourages the federal government to proceed with changes recommended by Estey and Kroeger?

Accordingly, Mr. Speaker, I second the amendment.

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

**Mr. Wartman:** — Mr. Deputy Speaker, I woke up this morning hearing the news of the increase of 4.5 per cent. It was appalling to my ears to hear this.

I think about the stories that we have heard, the reality that people are facing in this province, farm people, and to be hit with one more blow by the railroads is unbelievable at this time.

It has been recommended by government study, federal government study, that the farmers should be getting back about 18 billion . . . million dollars in payments. That \$18 million might make some difference; 4.5 per cent increase will make a difference. It will strangle some of those farmers who are just gasping trying to survive.

Mr. Deputy Speaker, when we can stand together, when we can speak with one voice against that federal government, when we

can challenge that federal government . . .

Thank you, Mr. Deputy Speaker. I was saying that when we stand together, if we can stand together in the face of this kind of attack by the eastern monopoly railroad, if we can stand up together, we have some strength.

One of the problems that we face is that when we begin to fight with one another, we're easily picked off, and the federal government is very adept at looking for those places where they can get at us and pick us off.

Mr. Deputy Speaker, I'm convinced that if we could get by some of the partisan hassle and get to the point of what this is about, we may be able to shore up the farm families that need the help. We may be able to put some pressure on this federal government which doesn't understand the situation.

When we went down to Ottawa in the fall, one of the things that I was so thrilled with was that there was one voice speaking from this province. We told the story clearly to the MPs down there. We helped them, a few of them, to get an understanding of what it is that our farm families are facing here in Saskatchewan.

They have been undermined for years. They have been undermined by the reduction of freight rates, the reduction of support — unilateral decision by the federal government to cut out the subsidies. And our farmers are expected to compete against a US that is subsidized by billions of dollars, against a European economy that is subsidized even more.

Mr. Deputy Speaker, I can't understand why a federal government would not give support to this industry. We look back at the history of the rail industry, how that industry got going in this country. It was designed to draw us together as a nation, we were told. We were told that it would build our economy to have a railroad running through the province. We could ship our grain; the ports would be there to move this commodity.

But, Mr. Deputy Speaker, I found out, as I studied the history of this system, that basically Saskatchewan has always been used, the farmers of Saskatchewan have always been used to subsidize that system. Because in the far East they cannot, they cannot compete with the seaway. The rail transportation cannot compete. They can't make enough money. They can't move the freight for cheap enough.

In Western Ontario, through the Canadian Shield, they can't make money. There is not enough product to move. They cannot make money in the west of Canada because they had to build through the mountains, and there's not enough product there to move.

So where do they make their money? Where do the railroad companies make their money? Here in Saskatchewan, Manitoba. They take our grain; they charge our farmers incredible rates to move that grain. As one of the members pointed out, the rates have tripled for our farmers. During these hardest of times, the rates have tripled.

How will our farmers survive if they continue to be exploited

by this monopoly? And I hear the people opposite talking about opening it up to competition. There is no rail competition. It's not possible. There is one monopoly. The CN and the CP (Canadian Pacific) got the lines boxed up and they take everything out of this province . . . everything.

And I can't believe that these people want it opened up so that they can charge every price. Deregulate, they say. Unbelievable.

Now, Mr. Deputy Speaker, one of the things that is thrown across this House from time to time is that they have the monopoly, they have the greatest number of farmers over on that side. Mr. Deputy Speaker, that's true. I am not a farmer. I don't claim to be a farmer. But, Mr. Deputy Speaker, I've got to tell you that I have been in farm communities, lived there for years. I have family on both sides who farm. I keep in touch. I try and understand to the best of my ability.

I don't know it all. I don't claim to know it all. But I hear the members opposite saying they do know it all. They not only claim to know it all about farming, they claim to know it all about everything. And they don't.

That argument will bite you in the backside. That argument will bite you in the backside because you don't know anything about — what? — all of urban Saskatchewan? Mr. Deputy Speaker, Mr. Deputy Speaker, they talk about taking off GRIP as if that was the ultimate sin for all time. Mr. Deputy Speaker, these people would bankrupt the province in no time. Bankrupt it. The GRIP program would have bankrupted this province.

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

**Mr. Wartman:** — But we have to govern for all people, Mr. Deputy Speaker, all the people of this province. And we cannot subsidize just a few. We have to do the best that we can with the resources we have to take care of all of the people of this province, including the farmers. Including the farmers.

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

**Mr. Wartman:** — And so therefore when there is a program that will bankrupt the province, we must — we must — make a decision that will be the best stewardship of all of our resources, Mr. Deputy Speaker. And that's why the decision was made around GRIP.

And yes, we will be having to answer that question time and again. But, Mr. Deputy Speaker, when we answer that question and we answer it with the integrity that is here, we are saying very clearly that in order to govern this province and in order to provide good stewardship for all of the people of this province, that decision — difficult as it was — had to be made.

Now, Mr. Deputy Speaker, we have brought forward a motion today, an emergency motion that I think is absolutely vital. And I'm appalled by that amendment that was thrown up just to kind of, oh well, we'll get you, you said this, you're the bad one.

Mr. Deputy Speaker, we got to move above that . . .

**An Hon. Member:** — Who started it?

**Mr. Wartman:** — Who started it, she asks. That's exactly the kind of thing that's been going on there. You started it — you're the bad guys. What utter nonsense.

Mr. Deputy Speaker, what we need in this House at this time is a bit of unity on this motion and to defeat that amendment because it is just an undermining factor as we're trying to present a solid face to this federal government. If we stand up together, if you can let it go and stand up together and support this motion and drop that ridiculous amendment, Mr. Deputy Speaker, if they can do that, I think we may be able to get the federal government to pay attention. We may be able to get the federal government to block that 4.5 or 4.6 per cent interest . . . or increase.

Mr. Deputy Speaker, I have been a part of many of the meetings that have been set up in this past year to try and get the best handle on how we can support the farm industry in this province. We have taken out of the resources of this province to try and reduce the cost of farming, which we promised to do. There is now no tax on farm fuel — no tax on diesel, no tax on gasoline.

Mr. Deputy Speaker, we also have taken some portion . . . We do not have the resources to take all of the education portion of the property tax off, but we have taken 25 . . . We have taken a significant portion — and that will be for two years — off of the property tax that farmers have to pay. All in an effort to try and enable the farmers to be able to get on to the land and produce.

We have provided support out of the resources of this province so that they can get out there. And we hope and we pray that there will be good crops this year for all the farmers.

But at this time the last thing that farmers need is another blow, another cost. And the last thing that the railroads need is more profit. I can't believe that on the heels of their proclaiming their great profits, I can't believe that the CTA would recommend an increase. This industry has just sucked the country dry.

They received all kinds of land, prime land within cities, in order to build that industry. That industry has received all kinds of subsidies from the very beginning . . . (inaudible interjection) . . . Exactly. Rail cars were bought for them. And they just have made a fortune off the backs of Saskatchewan farmers. They continue to make that fortune. This increase recommended by the CTA is wrong. It's unforgivable. It's unjust.

In contrast to an increase, there should be a decrease in freight rates — a significant decrease. The railroads try and point out to us, they try and say to us that they don't make enough profit off moving our grain; they don't make enough profit off moving our products.

What they have done is hived off all the profit that they make off all of the land that they were given, off the buildings that they've been able to build on that land. They've hived all that off and they try and make the railroads a losing proposition so they continue to suck our farmers dry. Unbelievable!

November 10, '99 we called the federal government to put \$100 million in farmers' pockets immediately. All they would have

to do in order to put that \$100 million into farmers' pockets is reduce the freight rates by \$5 a tonne. They've tripled those rates — moved them from \$11 to almost \$30. Why? They don't need that kind of profit. They don't need it. The shareholders out there don't need that kind of profit.

(1600)

And if they would reduce the rates by only \$5 a tonne, which is in no way going to harm the railroads, it would put another hundred million dollars into the farmers' pockets.

Now the one thing that I have to say, because I have heard it so many times coming from people on that side, is that they, Mr. Deputy Speaker, they claim to be the only ones who know about agriculture, the only ones who support agriculture. Our record speaks for itself. We have been there. We have been supporting agriculture. We have been there with and for farmers, and we will continue to be.

We have stood up for the Wheat Board, which markets for all the farmers to make sure that every farmer gets a decent price for their crop. Mr. Deputy Speaker, the Wheat Board doesn't have to be justified here because it justifies itself by the support that it has given to farmers over the years.

Down in the United States, farmers look at this Wheat Board and ask, how can I join? How can I get into this kind of a marketing body which will make sure that I get good regular price for my grain? They get into the world market, and because the world market can't pick them off one at a time, Mr. Deputy Speaker, it allows the most farmers to get the best price for the most time.

And these folks over here would undermine that Wheat Board, would get rid of it in a minute if they had a chance, Mr. Deputy Speaker. What a narrow, short-sighted vision. It's the same kind of narrow, short-sighted vision that would get rid of the Crow benefit, that would get rid of the Crow rate.

And, Mr. Deputy Speaker, I don't think I would be wrong if I were to say that there were people on that side who worked against the Crow rate and who were prepared to get rid of the Crow benefit claiming that it would do good for the farmers. And it didn't do good and it won't do good. And to get rid of the Wheat Board would do no good for the farmers of this province.

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

**Mr. Wartman:** — Mr. Deputy Speaker, it is my contention that when we pull together here as a House we can do good things. But it is my experience that when we pull together as communities and when farm people pull together as a broader community, that good will happen. It's when they get separated, pulled apart that they can be broken.

I remember a story that my colleague in ministry at St. James a few years back told. He brought to the Sunday service a little pack of sticks. And he handed the sticks out around to a number of the young children in the congregation; and he said, see if you can break these sticks. And the children broke them. No problem, easy . . .



**An Hon. Member:** — When you put them all together . . .

**Mr. Wartman:** — The hon. member knows the story. I'm glad to hear it because there's some truth in it. Those sticks were put together, bundled up, and nobody — not the strongest person in that congregation — could break them apart.

Mr. Deputy Speaker, this is very basic truth. And, Mr. Deputy Speaker, this very basic truth I know you can understand across the floor. Mr. Deputy Speaker, this very basic truth is the truth that is at the base and the core of the marketing system that we know as the Canadian Wheat Board. And that is sound management. It is based on truth. It's based on real experience. And it's time that the members opposite paid attention to that reality.

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

**Mr. Wartman:** — Mr. Deputy Speaker, the support for the Canadian Wheat Board is much broader than what the members opposite try and paint as is the rural support for the New Democratic Party. Mr. Deputy Speaker, reality points to the fact that they did elect rural members. They beat some of our rural members out. But, Mr. Deputy Speaker, there is good solid agricultural support for the New Democratic Party in this province of Saskatchewan.

That support will rise. That support will grow. And these people who reach their peak in September will go down again and again and again. They think they're fighting an election every day. They're right. And that election — by the truth of what we are able to do in this government — will be won by the people on this side of the House. Not because we have all the answers, Mr. Deputy Speaker; but because we know how to work with people. And we will work those people to get the best that can be done for this province.

Mr. Deputy Speaker, we gather with our farmers regularly. We discuss with them. We listen to them. And I am convinced that the message that we hear, and the message that our minister is carrying through and implementing in the Department of Agriculture is going to have positive effect for the farmers of this province, and we will see the agricultural economy continue to grow.

And, Mr. Deputy Speaker, it is my contention that if we will set aside that partisan stuff that undercuts continually and we will set aside that ridiculous amendment that has not even shades of truth in it, if we will set that amendment aside and everybody will stand together and support this motion, Mr. Deputy Speaker, we may have a chance of getting Ottawa to back up and move away from that 4.5 per cent increase.

Mr. Speaker, Mr. Deputy Speaker, I speak in favour of the motion and against the amendment.

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

**Mr. McMorris:** — Thank you very much, Mr. Deputy Speaker. Thank you very much.

I've been sitting for the last hour and a half, two hours, listening to members on this side of the House and members on the

opposite side talk about who knows more about agriculture. And I just listened to a rant, I guess you'd call it, and the on and on. It almost felt like I was being preached to as far as what is agriculture and who knows agriculture and all of that. And I found it very, very interesting, Mr. Deputy Speaker.

I myself am in the process of getting ready for seeding and on the weekend I'm going to be trying to get some in the ground. I'm going to be . . . And as a number of us are on this side, we're going to be looking forward to the next month or two to the megaproject, the billions of dollars that are going to be put into this economy due to agriculture. And just about each and every one of us is going to be going through that megaproject and we're going to be investing a pile of money and hoping and expecting some sort of a fair return. And that's all we ask for when we get out there and seed a crop.

And I agree. I'll agree with the members opposite. When a person looked at the headlines this morning and said freight rates are going to increase, it was more bad news. And you know, Mr. Deputy Speaker, as I travel in my constituency . . . and on the weekend when I was at the farm all week and getting ready for seeding, I had a number of neighbours stopped in and talk. And you know, it was really unfortunate because I don't know if I had one person that stopped and said, boy, I can't wait to get that crop in the field. Boy, it's a positive outlook. Boy, we're looking forward to a good year.

There wasn't one of those. You know what people were talking about? What is this government doing talking about amalgamation? Is that what we need in our province right now? And then you see them stand up over there and they rant and they rave on how much they know about rural Saskatchewan, Mr. Speaker.

Mr. Deputy Speaker, I look at a freight rate increase and that is the last thing my farm can afford. I don't want to see freight rates increased. I grow a lot of specialty crops. I market a lot of specialty crops. A lot of them are processed and cleaned right here on the Prairies, right four miles from my place, and they're shipped out without the dockage.

And then we hear members opposite say, oh we've got to save the Wheat Board. It's a saviour. Let's ship it all away full of dockage and pay the freight weight. We're paying twice as much freight weight as what we needed to had we started doing some value added, some processing right here on the Prairies.

I didn't hear one of those fellows mention over there, on the fact that if we did some processing here, if we loosened up the choke hold that the Wheat Board has on our prairie grain, if we gave a chance for people such as Prairie Pasta and a number of the pasta plants to do their processing right here in the Prairies, maybe this freight rate wouldn't be such a kicker as it is today. But I just finished hearing the member opposite spout the laurels and the virtues of the Canadian Wheat Board.

Mr. Deputy Speaker, I would invite that member to come to any rural meeting, poll off about . . . over the Canadian Wheat Board and see where it stands. He speaks like he knows what's going on out there but he doesn't have a clue, Mr. Deputy Speaker. Wait until you get farmers day after day stopping in at my farm, for example, saying it's not positive.

We need some change. We can't keep going the way we are. If we keep going the way we are, we're destined to fail. And then you have a government saying let's keep it the way it is. And people in rural Saskatchewan are saying on September 16: we've had it, we need a change. And unfortunately after a marriage of two parties, they didn't get their change. But they needed a change.

And, Mr. Deputy Speaker, I just find it amazingly hypocritical for the members opposite to be talking and saying we need to pull together because these freight rates are increased. And I agree with that.

But you know, Mr. Deputy Speaker, it wasn't very long ago that SaskEnergy rates went up. That's something they could have controlled. It wasn't very long ago that SaskTel rates are going up. Where were they then? It's not very long ago that leased land rates went up, Mr. Deputy Speaker.

So they stand there and they say, oh it's always somebody else's fault. And they fail to look at themselves and say, what could we do as a government to help rural Saskatchewan?

Let's look at rural amalgamation. Let's force RMs together. That will help rural Saskatchewan. Well I think if they would have . . . any of the members . . . And as I mentioned one time in question period, I can guarantee their safety to and from those meetings; once they're at the meetings, they're on their own. If they just would have went to those meetings and listened to what the people had to say at those rural amalgamation meetings, then maybe they could honestly come back into this House and speak with some sort of history and some sort of knowledge as to what people are saying in rural Saskatchewan.

But you know when you never go, you can spin your own cycle, you can spin your own tale, you can spin your own beliefs. And that's what they truly believe without getting out there and getting in touch. I have talked earlier, different times in the House and the number of tax revolt meetings that I went to, and, Mr. Deputy Speaker, I spoke to a number of people at these tax revolt meetings that were supporters of ours, but that were definitely supporters of the members opposite, and they were fed up. They needed a break. And I heard, through the debate today, members opposite say, well yes we listen to rural Saskatchewan, we know what they want, we'll lower the education portion of the property tax. And that was their cure for rural Saskatchewan.

And then the Minister of Education, speaking that we've done so much for education. You talk to the school boards — what are they doing? They're raising the mill rates. They're raising the mill rates and raising the mill rates on this hand. The government is saying we're lowering property tax on this hand for two years and after two years that money's not there. Guess where the mill rate is. And then you take that money out from under them.

It kind of reminds me a little bit of a program that was ripped out from under us — GRIP, that's it. GRIP, you know.

And they think that they know . . . we're not saying . . . I listened to the member opposite speak last that we sound like

we know everything that needs to be done in agriculture and we know all the issues. No, we don't. But we have a pretty good idea of what's going on in the areas that we represent because we talk to the people in our areas. We go to the task force meetings, we go to the tax revolt meetings, and we get the information from those people. We don't sit in Regina and say, this is what I think they need.

And they do a token tax reduction on education, and then take it away by raising the mill rate on the other hand.

And so, Mr. Deputy Speaker, as I mention, the hypocrisy of saying that it's everybody else's fault. It's the federal government's fault because they raised the freight rate, and all the things that this provincial government could do to help out rural Saskatchewan — uh, it's not our fault; we don't have to do it. It's always somebody else's fault, Mr. Deputy Speaker.

And I agree that the freight rates should not be going up. And we get into the whole debate about the Crow rate and all that type of thing, and we get misquote after misquote after misleading statement from opposition. And then I heard our leader speak . . . or the Leader of the Opposition and he set the record straight. And I just wish that they would have listened to the full statement of what he said through *Hansard* when he was a Member of Parliament.

(1615)

But you know, it just didn't happen. The frustrating part of this whole debate, I guess that I find, is that when this debate started . . . we talked this morning about putting forward a motion. The members opposite put forth a motion, we were willing to second it, and the debate — and not necessarily debate — but as the member opposite was saying about his stick story, we are going to be united on it.

And then the third speaker stood up, the member of Regina Northeast stood up and started spouting about the only person that knows, that has proper policy for agriculture. It isn't the federal government and it sure isn't the Saskatchewan Party; no way, what would they know? And he was the one that went on and on and on about how the only people that knew anything about agriculture were the members opposite. And due to that very thing, this has carried on and carried on, and now there's an amendment to the motion — which I will be supporting. But it's a shame that it had to come to that.

You know, I had an opportunity to listen to the Premier go on and on and really try and rev his troops up. And it was really quite interesting. I think maybe a number of years ago when there was maybe only eight on this side, he could huff and he could puff, and maybe he would try and do some damage. But believe me this House on this side is built of brick. And he can huff and he can puff, but he is not going to scare us away. He's not going to affect us because we know, we know, Mr. Deputy Speaker, that our foundation, our foundation for this side of the House is built out of solid policy — policy that will work for the agriculture sector.

And it just wasn't invented because they saw a newspaper article, and now they think they should speak to it. It was manufactured and developed through grassroots people that

came with ideas that said this is what we need to have happen. And do you know, in all the meetings that we've had as far as developing policy and things like that, there was not one word mentioned about amalgamating RMs, amalgamating towns, amalgamating villages — forced amalgamation. But somehow this government, as mis-sighted as it may be, thinks that is a burning issue in rural Saskatchewan. Believe me, it's not.

They're getting a little closer when they start talking about freight rates. But what they need to get a little bit closer on is input costs, and input costs such as phone rates, such as natural gas rates. All of those things are areas that they can control.

I will agree with the members opposite, and I myself realize that, I mean, you cannot control the federal . . . what the federal government's doing in some of their jurisdictions. All you can do is control the things that are in your ballpark. You can lobby the federal government, but you can control what's in your ballpark — and unfortunately, Mr. Deputy Speaker, they're not controlling that at all, Mr. Deputy Speaker.

So I find it really, really — again as I mentioned at the start — hypocritical for the members opposite to be talking about and crying the absolute crime of the freight rate increase and then on the other side, increase all the fees that they possibly can. And a lot of them are hidden. I guess maybe once . . . you know, just looking at the parks issue . . . is once we get into the summer, we'll see how much it really effects us. But you know it's funny that they wouldn't bring it out to begin with.

And then they look at us and they say where's that teamwork? Where's that united voice going to Ottawa? Well, Mr. Deputy Speaker, I wish it was a united voice going to Ottawa. And I really would have been following full behind until the member from Regina Northeast had to stand up and throw the first harpoon across the bow here.

And, Mr. Deputy Speaker, that's exactly what got this all going.

And then as I mentioned, Mr. Deputy Speaker, the Premier standing up and saying that, you know, misquoting our leader. And I guess that stands to reason. I mean we had an experience with it last week when he adds words to quotations and things like that which are perfectly okay.

But it just really, really causes a skepticism in rural Saskatchewan for this present government. And I would really invite the members opposite to get out to rural Saskatchewan, stop in at a grain elevator. They're saying, oh well the grain elevators are going? Well maybe they are. Maybe you'd better get out there and stop in at a couple and see what they're saying in those grain elevators. Because I'll guarantee you, it won't be positive for yourselves.

And I wish . . . Perhaps that's one of the problems is that maybe they don't want to hear the truth. They don't want to hear what people are talking about out there.

You know, as I mentioned, every second day when somebody stops by the farm and talks, it's not positive about what we're looking forward to through seeding, it's a negativity that is brought on by the members opposite. Because they don't understand what is going on in rural Saskatchewan, Mr. Deputy

Speaker.

So, Mr. Deputy Speaker, it gives me great pleasure to support the amendment that was put forth by the Leader of the Opposition and seconded by the member from Thunder Creek. So I will be supporting the amendment. Thank you.

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

**Mr. Wakefield:** — Thank you, Mr. Deputy Speaker. I wanted to add one or two of my thoughts when it comes to this particular debate on this motion. I think the motion is very timely. It's very critical. And I want to reiterate some of the things that I'd heard earlier on from both sides of this House.

There is an emergency when we get those kind of headlines in the paper. The discussion that went forward in producing that kind of a headline has been shielded from the farm people and from the people in the Prairies, generally.

From my earlier life, Mr. Deputy Speaker, I'm pretty well aware of how those decisions are made. And I think it's time that some of those decisions were made here in consideration of some of the things that go on directly in the Prairies and by farm people.

The problem is, as it's been pointed out, some of these decisions are made particularly by committees that have been appointed by the federal government. And it includes peripherally some of the interests of Prairie people, but basically it's very much the interest of the railway companies, the people . . . the companies that have a lot of materials that have to be moved by rail. And whenever there is a particular problem in the transportation area, the Canadian Transportation Agency has a provision that dictates how the situation will be resolved.

Earlier on I was fortunate to be part of a committee called the senior grain transportation committee and it was alluded to earlier on by one of our members. That particular committee had the power and authority to review the costs of the rail, how much the costs were increasing each year, and to make a determination of what was an appropriate rate adjustment based on the information that they received from a previous four years.

The system, whether it worked or didn't work, the system did give an opportunity for rural people because there was many, many farmers on that committee that did give the committee a great deal of insight and input into what the rail rate should be.

That was taken away as the legislation was changed over the years. The Crow was removed. There was an adaptation plan put in place. The senior grain transportation committee was removed and in return there was no check and balance that allowed the rural people of Saskatchewan or the Prairies to have that kind of input into rail costs.

Unfortunately the decisions now whenever there is a rate increase or a submission, goes directly to the Canadian Transportation Agency as our members well know, and they will decide. And likely if that was challenged, I would suspect that they would have a solid base on which to argue the

increase.

However that increase is based on other kinds of commercial operations. Whenever there is investment by corporations in our industry, those return on investments range anywhere from 10 to 15 per cent. And I'm sure the CTA made an adjustment and a recommendation based on that kind of a return.

Because we don't have an input into that kind of discussion and we don't have a check and balance from the West in terms of rural, I really believe that this particular increase that was approved or recommended, I guess, by the CTA should be challenged because the consequences of that particular decision, how it affects rural Saskatchewan particularly, is very disconcerting.

Now as the Premier mentioned in an earlier statement, the decision of the CTA is in fact only a recommendation to cabinet and it is up to the cabinet to consider whether that rate should be implemented or not. Now is the opportunity, as we are trying to do today, now is the opportunity to try and put forward a consistent and a joint statement of concern and statement of urgency about making a change to this particular recommendation that the CTA has come up with.

And I thought we were going to be doing . . . we were going down that road and I thought it could have been achieved in a fairly short order. And again, I was really quite dismayed when the member from Regina Northeast, the third speaker after the seconder, took umbrage with the way that he perceived the Saskatchewan Party and how this particular party on this side of the House reacted to some of the farm policies. And at that point, I could see that we were not going to be able to achieve the kinds of things that I had hoped to in a very short order.

Mr. Deputy Speaker, I guess one of the problems that I see as we proceed into this debate — and I hope that we'll be able to come to a conclusion — the problems that I see are the rural confidence in what this government can do and what we in the legislature can do.

I know that there is the record that is being referred to often on the opposite side, the record is really put the confidence of the rural community in jeopardy.

We've talked about earlier, about the GRIP that was in place and was taken away; that doesn't do a lot for the confidence of our rural community. A safety net has not been put in place to replace that. Maybe it had its good points, maybe it needed to be amended; but whatever it was, it would have added a lot of confidence into rural economy at this particular point.

Some of the other things that the rural community is looking at and needs to develop is that statement . . . or feeling of confidence and we've talked about input costs that this government feels that they have had a considerable input. Well the actual input costs that farmers are sustaining really have not been addressed in any particular way.

I know we've talked about the rebate on property taxes, but if you're a farmer and you see the opportunity to have property tax rebate and you take the 25 million and you divide it up amongst the farmers, you're really talking about something like

in the average of 400 to \$450. Not a great deal of confidence in the . . . from the farming community even though the idea seemed to be good.

When the government talks about eliminating the fuel tax, they're really talking about eliminating the tax on the gasoline that's used on the farm. There has been no tax on the diesel fuel and continues to be no tax. Now that . . . if that was in fact to be taxed, and now they say they won't, that's a really left-handed way of saying that they're really good people and not . . . by not implementing a further tax. So the tax, the fuel tax itself, is in fact not a great item. And so that in my view is not a significant item in controlling the input costs.

(1630)

Some of the other things that I think should have been or could have been looked at was referred to early, and that is the encouragement of the short-line rail. And as the rail is being abandoned and elevators are being decommissioned, that acquisition of the short lines is a very important part that could add to the significantly, certainly in the short-term, to the ability of farmers to be able to move their grain forward on the rail.

But it would also add a significant level of competition. And I know we talked a little bit about competition earlier, but the competition from the short line could have and should be able to give some confidence to the rural community. That I haven't seen happening.

Again, in my earlier life, I've done a little bit of work in trying to develop the short lines with . . . working with some farmers in this community, and I found that there was not a great deal of assistance made available to them from this particular government or from the federal government.

Farmers are very interested in trying to acquire and operate these short lines but virtually nothing is happening in this field. That's something that should have been moved forward.

One of the input costs, of course, is the freight rate cost and it's a very significant cost. But there's other costs too. Another input cost that we probably should have looked at in this province — and farmers are rather disappointed when they look to see what the actual input costs are — and I want to refer briefly to some of the tax issues that farmers are facing on a pretty regular basis. One of them is of course the property tax. That's a significant amount and it's increasing. It's increasing both on the property tax and on the education tax portion of their property assessment.

Whenever we talk about a property tax rebate, that's probably an assistance and it's certainly helpful, but in a community where I'm from, the rural municipalities in that area are actually contributing more tax to the provincial government through increased PST on equipment and fuel, than in fact the provincial government pays to the rural municipalities. That's not exactly a confidence builder for the rural economy.

When we see that the property tax, the education portion of the property tax, is assessed to the farmers in my particular area in several of the municipalities, we see that the operating grants coming back to the RMs or the school units in my particular

area is not the traditional 60 or 50 per cent. And it's not the provincial average of 40 per cent; it's actually now, in my constituency, the school operating grants are zero. The property tax, the people paying property tax contribute the entire amount for school operations.

With the model of hospital closures and the health district models that we have now, what our farmers are seeing and our rural people are seeing is the debt load that is being downloaded onto the health districts. I believe it's around 22 of the 36 health districts are in fact now running debt.

And that is a download directly onto the rural communities particularly, because those closures have had a significant factor in how the farms and the rural people respond to some of the government actions and the confidence that they have. Those things are very significant.

When we talk about the profits of the rail company through the CTA, I really believe as I mentioned earlier, that those increase in rates has a significant factor on the amount of profit that the rail will make. And maybe the rail companies can justify a 10 to 15 per cent increase . . . return on their investment. But in the rural areas of Saskatchewan particularly, that just cannot be done. And that is why we have to try and turn this around as quickly as possible.

Farm income certainly depends upon the rail. Maybe it doesn't depend upon the rail as much as it always has over a longer period, but the rail is a very critical part of the marketing.

What I would want to do then, Mr. Speaker, is I want to highlight again some of the problems that I see. The confidence from the rural community and this government is lacking even though the intention of the original motion was very worthy. That's why I'm going to at this time support the amendment as it was proposed.

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

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

**Mr. Elhard:** — To enter the debate — I want to speak to the amendment, Mr. Speaker.

Thank you, Mr. Speaker. Sir, I stood in the House earlier this afternoon in the spirit of co-operation and goodwill that has worked so effectively in the past — most recently last week, when we jointly in this House called on the federal government to take responsibility in funding the twinning of Highways No. 1 and 16. I thought that set a precedent that we would be able to build on today. I was really hoping to achieve the same result today.

Mr. Speaker, I was somewhat bemused by what followed — an unfortunate example of NDP's philosophy that can take the cheap shot and win at all costs. The minister from Regina . . . I'm sorry, Mr. Speaker. The member from Regina Northeast was more interested in trying to score partisan political points than he was in trying to help farmers.

In fact, in 1995 the farmers of Canora-Pelly constituency recognized his concern and dedication to farmers by voting him

out of office in the provincial election of that year. The current member for Canora-Pelly has served the interest of farmers — not only of that constituency but the whole province — and he's done so with diligence and integrity. In fact, the people of Canora-Pelly recognized his contributions and re-elected him with a massive majority, in contrast to the election results of 1995 when the previous member was thrown out only to resurface in the NDP borough of Regina Northeast.

Mr. Speaker, today that member's inflammatory comments derailed what should have been a unanimous expression of support for the original motion, condemning federal inaction to provide freight rate relief for farmers. Comments by other government members today falsely suggesting this whole charade began on this side of the House wilfully ignore the fact that one of their own colleagues began the unravelling of this process.

Mr. Speaker, when a non-partisan solution was required to achieve a common good, *Hansard* will record where the breakdown began and I am extremely disappointed by this turn of events.

Mr. Speaker, I will now be supporting the amendment put forward by the Leader of the Opposition, the member from Rosetown-Biggan. Thank you, Mr. Speaker.

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

**Mr. D'Autremont:** — Thank you, Mr. Speaker. Mr. Speaker, today, earlier, we were notified by the government that they would be proposing a motion to send to the federal government dealing with the increased freight rate proposed by the CTA.

We also had such a motion prepared, independent of their own. Before session started, we discussed it on the floor of this Assembly, and it was agreed that whomever was recognized by Mr. Speaker, the other side would second that motion. And indeed, that co-operation took place in this Assembly.

The member from Meadow Lake was recognized by the Speaker and presented his motion under rule 46. The member from Cypress Hills seconded that motion. Both of those members, Mr. Speaker, spoke about the needs of rural Saskatchewan, of farmers in transporting their products to market, and how this move to increase those freight rates would be detrimental not just to the farmers but to all of Saskatchewan as a whole.

And then we had the member from member from Regina Northeast speak. That member, at one time, had represented a rural constituency. But in 1995, the people of the Canora-Pelly constituency recognized that that member did not represent them, did not represent agriculture, did not represent the needs and desires of the people of rural Saskatchewan. And they unelected him.

They elected my colleague, the current member from Canora-Pelly, who won his second term in 1999 with a resounding victory — overwhelming.

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

**Mr. D'Autremont:** — Rather than supporting agriculture, as this motion would have done, that member from Regina Northeast, having lost in 1995, moved into Regina and ran in a rotten borough and was elected by the city. He fails, Mr. Speaker, to support agriculture. Now he had an opportunity today, Mr. Speaker, to show that he and his party, Mr. Speaker, had the opportunity to show that he and his party could support agriculture. Instead, Mr. Speaker, his primary concern . . .

**The Speaker:** — Order, order, please. I'll ask all members to kindly come to order.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. That member's primary concern was not agriculture, was not the support of Saskatchewan, but to pay . . . play petty, partisan politics. And that's why he launched his vicious attack. He had no interest in the farmers of Saskatchewan.

**The Speaker:** — Order. I'm going to ask members one more time. I plead with you to kindly come to order, allow the member to be heard.

**Mr. D'Autremont:** — Thank you, Mr. Speaker. I recognize that the truth often hurts and that's why the members opposite are clambering so painfully. The members opposite . . . the member opposite has no feeling or understanding for rural Saskatchewan or farmers. And that's why he was more interested in attacking the official opposition than he was in dealing with the issue and the co-operation that was exemplified by the member from Meadow Lake and the member for Cypress Hills.

Later on, Mr. Speaker, we have another Regina member who stands in his place. The member from Regina Qu'Appelle who sanctimoniously lectured us as to how we should be supporting rural Saskatchewan. Sanctimoniously stood there with venom dripping from his lips as if it was from the fangs of a viper. Rather than supporting agriculture, attacks the official opposition.

Again that member has no concern for farmers. He has no concern for rural Saskatchewan. His only concern, Mr. Speaker, is the potential of his re-election or loss.

They could have talked, Mr. Speaker, on this motion about transportation. They could have talked about the need for short-line rail in this province. Because there certainly is a need for short-line rail that would counterbalance the weight of the CN and CP railroads. But did they talk about it? No, Mr. Speaker. They were more interested in attacking the official opposition.

Why don't they want to talk about short-line rail? They don't want to talk about it, Mr. Speaker, because of successor rights. They don't want to touch successor rights, which is the killer of short-line rail. Because if they have to, a rail line is abandoned and a short-line rail picks it up, they have to pick up the entire costs of the operation of that rail.

And that rail, the reason it's such a high cost and the reason that the costs are being transferred over to farmers, is because of the contracts that are signed and obligated on that rail line. And a new organization cannot come in and operate effectively,

efficiently, that profits would be passed on to farmers under those circumstances.

They're more afraid, Mr. Speaker, of alienating some of their supporters in the unions than they are in helping agriculture.

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

(1645)

**Mr. D'Autremont:** — Their government has failed, has failed miserably to provide transportation services to all of Saskatchewan. Not just rural Saskatchewan, Mr. Speaker, but all of Saskatchewan, ever since they were elected in 1991.

The fact is, the first minister of Agriculture that we had came up with the plan, Mr. Speaker, to gravel all the highways in Saskatchewan. He was going to turn them all into gravel roads. That minister was Berny Wiens, Mr. Speaker. He was the minister of Agriculture in Saskatchewan at one time. He's gone.

We had Darrel Cunningham who was a seatmate of the member from Regina Northeast, next constituency over from him, in 1991 to '95. He was defeated. Gone. Andy Renaud who was the member from Nipawin . . . Carrot River He was the minister of Agriculture. He's gone. Eric Upshall, who was the member from Watrous, was the last member . . . was the last Agriculture minister before this election. He's gone.

It's not a pleasant thing to be the Minister of Agriculture in this government because they fail to recognize the needs of transportation in this province. They fail to deal with the federal government when it comes to the transportation of grain, the CCTA (Crown Construction Tendering Agreement) . . . the CTA, I mean. They're very big on the CCTA also. That's another one of their union projects.

They fail to provide for proper transportation on the highway system. Our highway system across this province is crumbling. And they ignore it.

They promise \$250 million a year, 2.5 billion over 10 years. This is the first year in a 10-year program, fourth year in, that even matches. And yet inflation is running ahead of their inputs into transportation, Mr. Speaker. They have no concern.

And it's that failure in transportation . . . affects not just rural Saskatchewan; it affects every person in Saskatchewan. Whether they just simply want to drive to the lake or if they're hauling their grain to the elevator, Mr. Speaker, they have failed them.

But the government opposite talked earlier, the member from Regina Qu'Appelle in his speech condemned any possible change in the Canadian Wheat Board — condemned it. And yet the very Minister of Agriculture that I mentioned earlier, Eric Upshall, was the one who took away the marketing board in the feather industry in this province — in this province. He took away the marketing board in the hog industry.

I didn't hear that member standing up and condemning the Minister of Agriculture at that time for that very action. It shows, Mr. Speaker, just how utter their lack of concern is for

agriculture. It's all partisan; it has nothing to do with supporting agriculture, Mr. Speaker.

We saw them take away GRIP program. Now that was a while ago; that was in 1992 they destroyed the GRIP program, clawed back the money. We had hoped perhaps they had got over that attitude of taking away programs from farmers. But what have they done? The Premier goes to Ottawa and comes back and says, we got a billion dollars.

But when you start counting up the money, 400 million of it is already farmers' money that they are owed by the Canadian Wheat Board that will be lent to them six months earlier. A loan from farmers to farmers, and it had nothing to do with the Premier or the member from Regina Northeast.

They got a new program, Mr. Speaker. A new program — \$260 million of new money. Except if you get it, they deduct that amount from your AIDA. So you can have one or the other, but you can't have both.

So their \$260 million doesn't add up in their billion dollars. We're getting . . . That money, that billion dollars, Mr. Speaker, is getting smaller and smaller and smaller — just like their support across Saskatchewan.

The government opposite, Mr. Speaker, in their budget talked about how they were going to help rural Saskatchewan. And as my colleague from Indian Head-Milestone indicated in his speech, they put a little bit of money, Mr. Speaker, into property tax reduction for two years. That money and more will be eaten up by the failure to provide proper support for education. That support will now have to come from the property taxpayers across Saskatchewan — be it a farmer, be it a businessman, be it a labourer in this province. They have taken that money right back out of the pockets of the people of Saskatchewan.

And they all fail. And they sit there . . . the member from Regina Northeast, and he laughs about it, Mr. Speaker — he laughs about it.

There's also lots of other money, Mr. Speaker, that this government is taking from agriculture. Did you know that one-third of the cost of fertilizer in this province is provincial taxes? On average, one-third is provincial taxes — royalty taxes on the natural gas used to produce that fertilizer.

Mr. Speaker, when the government claims there is no tax on farm inputs — dead wrong, dead wrong. One-third of the cost of fertilizer is taxes collected by the provincial government.

Mr. Speaker, what we have here is a government that does not believe in responsible government. This government has never accepted responsibility for any of their actions, for any of their statements. They simply do not believe in responsible government.

They believe in winning at any cost. They believe in the rule of the NDP. And they will do whatever it takes, including on the backs of farmers by denying them, by denying them the opportunity to send a message from this legislature that would have supported the motion presented in a unanimous vote, in a unanimous comment. And it was the government members

opposite that ruined that, Mr. Speaker.

Mr. Speaker, we have seen a good many other areas where this government has stood in the road of farmers and transportation. We had an opportunity to build a pasta plant in this province and this government has stood in the road in every way, shape, or form that they could to prevent that from happening, Mr. Speaker. It just shows how irresponsible this government actually is.

It's time, Mr. Speaker, that this government accepted the responsibilities of their eight years in government, which they have failed to do so, Mr. Speaker. They have failed to accept any responsibility for the destruction they have wrought. Not just on rural Saskatchewan, but Saskatchewan as a whole, Mr. Speaker.

The members opposite want a vote and indeed we will have a vote on this particular issue, because we think this is an important issue, that the message be sent to Ottawa that it's their responsibility to roll back that freight increase. It's their responsibility to follow their own legislation under the CTA and pass on those cost savings to agriculture. Approximately \$5 a tonne, Mr. Speaker, that the CCTA says should be passed on, that the federal Liberal government that the Premier is considering joining needs to pass on to farmers. This freight rate does not need to occur, Mr. Speaker, if the federal government would screw up their courage and roll it back.

I will be supporting the amendment, Mr. Speaker. Thank you.

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

The division bells rang from 4:55 p.m. until 4:57 p.m.

Amendment negated on the following recorded division.

#### Yeas — 18

Hermanson	Elhard	Heppner
Draude	Gantefoer	Peters
Eagles	Bjornerud	D'Autremont
McMorris	Weekes	Brkich
Harpauer	Wakefield	Wiberg
Hart	Stewart	Kwiatkowski

#### Nays — 25

Romanow	Trew	Hagel
Van Mulligen	Melenchuk	Cline
Goulet	Thomson	Lorje
Serby	Belanger	Nilson
Crofford	Kowalsky	Sonntag
Hamilton	Prebble	Jones
Higgins	Yates	Harper
Axworthy	Kasperski	Wartman
Addley		

The division bells rang from 5 p.m. until 5:01 p.m.

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

**Yeas — 44**

Romanow	Trew	Hagel
Van Mulligen	Melenchuk	Cline
Atkinson	Goulet	Thomson
Lorje	Serby	Belanger
Nilson	Crofford	Kowalsky
Sonntag	Hamilton	Prebble
Jones	Higgins	Yates
Harper	Axworthy	Kasperski
Wartman	Addley	Hermanson
Elhard	Heppner	Draude
Gantefoer	Peters	Eagles
Bjornerud	D'Autremont	McMorris
Weekes	Brkich	Harpauer
Wakefield	Wiberg	Hart
Stewart	Kwiatkowski	

**Nays — nil**

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

**Hon. Mr. Van Mulligen:** — Mr. Speaker, I move, by leave of the Assembly:

That the motion just passed be communicated to the Prime Minister of Canada, the federal Minister of Transportation, and the federal minister responsible for the Canadian Wheat Board on behalf of this Assembly by Mr. Speaker.

Mr. Speaker, if leave is granted, then I assume that the Opposition House Leader will second the motion.

Leave granted.

Motion agreed to.

The Assembly adjourned at 5:05 p.m.



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