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Sask. boasts lowest-cost utilities

Gov't able to keep promise without giving subsidies

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REGINA -- Saskatchewan has the lowest-cost "utility bundle" in Canada again this year, this time without any subsidies for residents, according to the NDP government.

The cheapest bundle of heat, power, telephone service and car insurance has been a keystone of NDP policy since it was promised in the 2003 election campaign.

This is the third year in a row the government has been able to meet the promise. But it was only with the help of a \$137-million subsidy program to offset soaring natural gas costs in 2005 and a \$54-million rebate program in 2004 that saw residents receive a \$137 rebate on their telephone bills.

Crown Investment Corp. Minister Maynard Sonntag thinks most Saskatchewan residents will be happy to hear they have the lowest utility costs in Canada without receiving a rebate that they can see.

"I think at the end of the day, that's what the majority of people want, just to be able to keep the rates as low as possible," he told reporters at the legislature.

According to the government, Saskatchewan residents pay a total of \$3,418, \$35 less than their counterparts in the province's closest competitor, Manitoba. The rates are \$1,079 less than in Alberta, something Sonntag said the government is particularly pleased about.

"That adds to the whole package of Saskatchewan being an affordable place to live and we encourage people to take note of the differences between here and Alberta. It offers them great, great advantages here in Saskatchewan," he said.

The province with the highest combined cost was Ontario, with a cost of \$6,609 in total.

While the government did not provide a detailed breakdown, Sonntag said a major difference is seen in auto insurance costs. The decision to lower a proposed Nov. 1 SaskEnergy rate increase from 11 per cent to 5.4 per cent because of a decline in natural gas market prices was also significant, he said.

Saskatchewan Party Crowns critic Donna Harpauer said the low utility rates are attributable to the good work of the Crown corporations.

But she said a Saskatchewan Party government would not continue the bundle promise because it is questionable policy.

Living up to the promise could lead to artificially low utility rates that could put the Crowns in jeopardy, she said, although it has not happened so far.

"We would like to encourage the Crowns to do the best, to use the best business practices, to keep the rates as low as possible. Should we instruct the Crowns to do

so? No, we do not believe that is good public policy," said Harpauer.

The bundle costs are subject to a review by an independent third party in the new year.

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