

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

INTRODUCTION OF GUESTS

Mr. Draper: -- Yes, sir, Mr. Speaker, I'd like to introduce to you and to the other members of the House two people sitting in the west gallery there. They are my wife, Erica, and our friend of many years, Mrs. Doris Bradfield, from Woodrow. And I'd like you to join with me in welcoming them to this legislature. Thank you.

Hon. Members: Hear, hear!

Mrs. Teichrob: -- Mr. Speaker, it's my honour to introduce to you and through you to other members of the Assembly two persons seated in the west gallery. They're here in Regina today on behalf of an organization that they're volunteers of, Saskatchewan Heart Health. There's Mrs. Ruth Robinson and Lynn Rutherford and they've been here making presentations.

Mrs. Robinson, Ruth Robinson, has been honoured in Saskatoon as the Citizen of the Year for her volunteer work and commitment to the community. So I'd like to welcome Ruth and Lynn to the legislature today and ask other members to join me.

Hon. Members: Hear, hear!

Ms. Lorje: -- Yes, I would also like to welcome Lynn Rutherford and Ruth Robinson of Heart Health.

And I would like to point out to members of the Assembly that one of the things that they are trying to do is to encourage more responsible smoking and to discourage smoking, at all, amongst young people. And it was rather embarrassing to meet with them down in the Dome Cafeteria where there were clouds of smoke all around.

Hon. Members: Hear, hear!

Hon. Mr. Mitchell: -- Thank you, Mr. Speaker. I have the honour, Mr. Speaker, to introduce to you and to members of the legislature the third tour, during the time this legislature has sat, of civil servants. These civil servants are seated in your gallery, Mr. Speaker. They are employees of the Department of Energy and Mines, Social Services, Labour, Public Service Commission, SPMC (Saskatchewan Property Management Corporation), Municipal Government, Finance, Justice, and my own office.

So I would like members of the legislature to welcome these distinguished public servants to the legislature this afternoon.

Hon. Members: Hear, hear!

Hon. Mr. Romanow: -- Thank you very much, Mr. Speaker. Mr. Speaker, it's my pleasure to introduce to you, sir, and to all the members of the Legislative Assembly, sitting in your Speaker's gallery, some of the members of the

1995 -- successful I might add -- Grey Cup bid committee in attendance, seated in your Speaker's gallery. And I'd ask that when I introduce them that they stand but that the members withhold applause until after I finish the introduction.

I want to say, Mr. Speaker, that these are very hard-working people who have acted on behalf of the interests of not only Regina but the province of Saskatchewan, have dedicated hours and hours of volunteer work to put together a bid which, as we know, has worked out successfully and quite frankly I think Saskatchewan people are very excited about.

So with your permission, Mr. Speaker, I'd like to introduce first of all the chair of the bid committee, senior partner in the law firm of Rendek and McCrank, Mr. Richard P. Rendek, Q.C. -- please, Dick, stand; the general manager and CEO (chief executive officer) of the Saskatchewan Roughriders, Mr. Alan Ford -- Alan; Councillor John Lipp, who's a business person and very active with the Roughriders as well -- John; the president of Cairns Developers and well connected with the Roughriders, Tom Shepherd; chairman and CEO (chief executive officer) of the Regina Economic Development Authority, Gordon W. Staseson.

Barb Pollock is the principal of Polmac Communications and Barbara did a wonderful job in putting forward the submission. The tenor of the submission, Mr. Speaker, was on the basis of a football game. Regina was making the submission at first quarter, second quarter, half-time break and the like, and Barbara engineered that and I thought that was marvellous.

Muir Barber is vice-chair of the Regina Economic Development Authority; Warren Green is Saskatchewan sales manager for Canada Post Corporation; Don Savaria is the general manager, public affairs, of SaskTel; Bob Linner is the city manager of the city of Regina -- Bob is here? -- and also Bob Ellard, president of IKOY Architects (Sask) Ltd. who put together the additional 20 seats which are going to be needed in order to make this a very large and successful . . . (inaudible) . . . What did I say? -- 20 -- 20,000 seats. If it's 20 seats we're in real deep trouble.

Mr. Speaker, on behalf of all the members of the Assembly and I'm sure on behalf of all of the people of the province of Saskatchewan, how about a big, warm welcome and a congratulations to this group. They did it for Saskatchewan. Thank you very much.

Some Hon. Members: Hear, hear!

Mr. Sonntag: -- Thank you very much, Mr. Speaker. I'd like to introduce to you and through you to members of the Assembly a number of constituents of mine who are down at the SARM (Saskatchewan

Association of Rural Municipalities) convention and are taking in the proceedings here today.

I myself attended the SARM convention this morning and heard some reference to downloading. Well I witnessed the worst kind of downloading at noon today; they made me buy lunch.

So I'd like to, if I could, introduce them and I'd ask them to stand, if I could: Deb Johnson, who is the administrator from the RM (rural municipality) of Beaver River; Allan Simpson, who is a councillor from Loon Lake; and Victor Lutter, who is councillor from Beaver River; Ted Warner, a councillor with Loon Lake; Darren Elder, administrator in Loon Lake; and Ken Schamber, a councillor from Beaver River as well. If you'd join with me in welcoming them here today.

Hon. Members: Hear, hear!

Mr. Swenson: -- Thank you, Mr. Speaker. Mr. Speaker, I want to join with the Premier on behalf of the official opposition in congratulating the bid committee for the 1995 Grey Cup. I think the Premier has expressed the fact that this is a provincial football organization, and I think all of the gentlemen and lady in the gallery recognize that, that we all have to contribute.

I think it's been historical that governments of all stripe have recognized the fact that the Saskatchewan Roughriders are an integral part of life in this province. And we would just like to congratulate you for the fine work that you've done, and we know that those 20,000 seats won't hold the number of tickets that you're going to want in 1995.

Hon. Members: Hear, hear!

Mr. Cline: -- Thank you, Mr. Speaker. I just wanted to join with others in welcoming Lynn Rutherford and Ruth Robinson to the Chamber today. And I wanted to point out, first of all, the work they're doing now in connection with smoking and health issues, but also just to acknowledge while Ruth Robinson is here that she was the Saskatoon Citizen of the Year for 1992 because of her civic activities, and I just wanted to acknowledge that. Thank you.

Hon. Members: Hear, hear!

Mr. Serby: -- Thank you very much, Mr. Speaker. I wish to introduce to you and members of this Assembly, seated in your gallery, a young man from Yorkton, from my constituency, by the name of Bill Larson. Bill has just currently completed his school of broadcasting course, and I see that he's seated close to the Regina bid committee for the Grey Cup. And he's most interested in being, Mr. Speaker, a sports announcer and colour man. He may want to snuggle up to them a bit and put his bid in early.

I wish to welcome Bill to the Assembly, and ask all members of the House to join with me in welcoming him here as well.

Hon. Members: Hear, hear!

Mr. Knezacek: -- Thank you very much, Mr. Speaker. As we know, this week has been designated as Education Week in Saskatchewan. The theme chosen for this important week is Home-School: Make the Connection. This is of great significance as this also happens to be the International Year of the Family. It is essential that parents and educators work together to help provide a quality education for our youth across the province.

Realities of this day and age prevent many students from getting the proper education they deserve. Hunger, poverty, illiteracy, and family violence all wreak havoc on our society and the right to learn. Therefore communities must work in harmony in order to deter these obstacles. It can only be through such actions that the right of education would be available for all. If this can be achieved, then every person in this province would have an opportunity to succeed.

Education Week provides communities within our province to have their families discuss the skills and knowledge that they have acquired and that they have contributed greatly to the social, cultural, and economic well-being of our province.

Let us not forget the extremely important theme of this year's Education Week -- Home-School: Make the Connection. Thank you.

Some Hon. Members: Hear, hear!

Ms. Hamilton: -- Thank you, Mr. Speaker. I'm pleased to join in with my colleague from Saltcoats and make the announcement and acknowledgement that the week of March 7 to March 13 has been proclaimed as Education Week in Saskatchewan.

This is a week that brings community and school closer together. This is a time for us all to reflect upon the importance of all aspects of education. In our rapidly changing world, now more than ever we need to give our children the positive influence of quality education. Overturning barriers that hinder the ability of someone to receive a valuable education, must be our priority.

We all must challenge ourselves to make a difference in our communities towards showing the importance of education. I've taken the challenge myself this week, Mr. Speaker, and with my constituency was able to be a celebrity reader at two schools -- Wilfred Hunt and Douglas Park School.

At a time when illiteracy is at a high rate, it is essential that we show our youth the importance of being able to read. We must work together as a community in order to defeat such barriers as illiteracy.

Once again, I am pleased to announce the week of

March 7 to 13 as Education Week in Saskatchewan. I hope we can all do our part to stress the extreme importance of education in our fair province.

Some Hon. Members: Hear, hear!

Ms. Crofford: -- Thank you, Mr. Speaker. Yesterday many of us in this Assembly gave heartfelt statements about International Women's Day, and equally eloquent, Mr. Speaker, was the Minister of Justice giving first reading to An Act respecting Victims of Domestic Violence. Swift passage and public acceptance of this Bill cannot happen quickly enough.

For many, violence means leaving your family home in the middle of the night with tired and scared children in tow and with a few possessions and toys thrown into a garbage bag, leaving behind everything that's familiar. This was also my experience when I worked with women in the North as director of the Indian and Metis Friendship Centre. It's a shared experience of all races and classes of women and children, urban, rural and northern.

Rather than focusing on punishing the offender, this Act will provide immediate protection and assistance to the victim, and importantly, allow them to stay in the family home rather than has so often been the case, fleeing into the night.

Mr. Speaker, it's an important milestone.

Some Hon. Members: Hear, hear!

Ms. Murray: -- Thank you, Mr. Speaker. Mr. Speaker, over the past few years one of the pleasant tasks I have given myself has been to serve as a volunteer at the Royal Red Arabian Horse Show in Regina.

This August will mark the fifth year the host committee and Regina Exhibition Park have sponsored the show and I am delighted to learn that I and the dozens of other volunteers will have at least another five years to be part of this spectacular show.

The Regina Chamber of Commerce, the Royal Red Arabian host committee, and the International Arabian Horse Association took part in a formal signing ceremony of a new five-year contract for the Royal Red commencing in 1995.

This is very good news for a number of reasons. First of course, is that this show contributes approximately \$10 million a year to the Saskatchewan economy, which means \$50 million over the terms of the contract. And this show not only brings horses from all over North America -- from Texas, New Mexico, British Columbia, Ontario and so on -- it also brings tourists who, in coming to see the horses, will also see Saskatchewan. The multiplier effect I think they call that.

And, Mr. Speaker, this is a spectacular show of beautiful, graceful animals with intelligent, friendly owners. The Minister of Agriculture and his department, the Minister of Economic Development and his, and all the bid committee are to be congratulated for keeping this show in Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Scott: -- Thank you, Mr. Speaker. The federal government has recently overhauled gun control legislation that had the potential to severely impact law-abiding gun owners and hunters. Over 1,200 people recently attended a rally in Preeceville to protest stricter federal gun control legislation.

The federal legislation does, however, provide the opportunity for provinces to accommodate the federal requirements in their own legislation. I am happy to report that we have achieved a Saskatchewan-made solution. We will be expanding our existing firearms policies to include the mandatory requirements of the federal legislation. This is in fact a minor change from our existing practice and is forced upon us by the federal legislation. We were able to achieve this through cooperation and support from groups and individuals including hunters, gun dealers and collectors, instructors, and government officials.

Mr. Speaker, safe handling of firearms is everybody's responsibility. Recognizing this, hundreds of gun owners have volunteered their time over the years in teaching hunter safety to over 135,000 students in Saskatchewan.

Unlike downtown Montreal or Toronto, owning and using firearms in Saskatchewan continues to be a way of life for upwards of 100,000 licensed hunters, farmers who may have to control predators, and people who live off the land. Responsible use and handling of firearms must remain a top priority. This government will continue to work with affected stakeholders in maintaining one of the best firearms regulations and education programs in North America. Thank you.

Some Hon. Members: Hear, hear!

Mr. Keeping: -- Thank you, Mr. Speaker. Mr. Speaker, I would like to call attention to an event that happened in my constituency about a month ago. The Nipawin Elks, the Royal Purple, in conjunction with the RCMP (Royal Canadian Mounted Police) detachments from across the province, sponsored the fourth annual P.E.A.C.E. 100 snowmobile rally.

The purpose of this event is two-fold. First of all, the donors and the riders and sponsors raised over 42,000 for drug awareness programs in Saskatchewan schools. The drug awareness committee of Saskatchewan and the Saskatchewan Elks foundation and the RCMP will meet together and decide where this money goes to different various projects.

The other reason, Mr. Speaker, is we had a ball. We had a great time snowmobiling. The weather was beautiful, and there was even 22 police officers that drove up from all across the province. One participant drove his snowmobile all the way up even from

Regina here, and there was one from Alberta.

They went over 103 miles of trails in the prettiest area of the province. The trails were groomed by the local snowmobile club. They went through Torch River, through the the Fort-à-la-Corne reserve, and on to Choiceland for lunch, and then back to Nipawin for a banquet where the prizes were handed out.

Mr. Speaker, I want to congratulate the chairman, Mr. Eugene Rawlyk, and I look forward to next year.

Some Hon. Members: Hear, hear!

Mr. Hagel: -- Thank you, Mr. Speaker. During this Impaired Driving Awareness Week, it's my pleasure to acknowledge some people who are working actively around Saskatchewan to reduce impaired driving to save lives and who have been successful.

For 18 years Saskatchewan has had a driving without impairment course for convicted impaired drivers. It is held in high regard in jurisdictions throughout North America. The course is offered through 19 DWI (driving without impairment) programs in 23 Saskatchewan communities, with some 70 community-based instructors and at least 150 more community volunteers.

According to the Traffic Injury Research Foundation's cold, hard evaluations in 1990, this Saskatchewan team of concerned citizens has reduced our province's rate of repeat offences by half for convicted drivers who took the Saskatchewan DWI course.

Mr. Speaker, that's meant both lives improved and literally lives saved in Saskatchewan. And I ask all members to join in expressing appreciation to over 200 Saskatchewan people who have dedicated their efforts toward the separation of the act of drinking from the act of driving, through the Saskatchewan driving without impairment program.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Gross Revenue Insurance Program Funds

Mr. Neudorf: -- Thank you very much, Mr. Speaker. And I might preface my remarks by saying, that in the finest Saskatchewan Roughrider's tradition, the Minister of Agriculture and I will now butt heads for a while. I happen to have a question, Mr. Speaker, for the Minister of Agriculture. And since, Mr. Speaker, we don't wear helmets, it will be relatively tame in here, I can assure you.

But on a more serious note, Mr. Speaker, I direct my question, my initial question, to the Minister of Agriculture. And I say to you, Mr. Minister, that due to your government's destructive changes to GRIP (gross revenue insurance program), last year's pay-outs to farmers were substantially less than the program's revenues.

In fact, at the end of the '92-93 fiscal year the program had a surplus of \$43 million. And with pay-outs expected to be even lower this year, that surplus is bound to be increased.

Mr. Minister, what steps are being taken to ensure that this money is indeed paid out to Saskatchewan producers for whom it was intended?

Some Hon. Members: Hear, hear!

Hon. Mr. Cunningham: -- To begin with, Mr. Speaker, I hope the member opposite hasn't been playing football without a helmet too long.

As to his question, yes there's a small surplus in the fund now. There's a predicted surplus for the end of this year. Again, this is a very unpredictable fund. The estimate changed from, I think from October to January, the estimate based on national grains bureau price moved by \$244 million. So we could yet have a drop in prices that would mean that there would be a pay-out.

This is the federal-provincial agreement. And if there is a surplus in the fund, the agreement is silent on that. And we're certainly glad that grain prices are moving up because I know producers would sooner get their revenue out of the market-place. But it is a good news-bad news scenario in that when grain prices move up less revenue is paid out of the fund.

Some Hon. Members: Hear, hear!

Mr. Neudorf: -- You were partly right, Mr. Minister, in the sense that it is indeed a bad news scenario. Mr. Minister, the GRIP program as it was originally designed gave the province, in fact gave provinces, access to federal funds which were then in turn supposed to be passed on to Saskatchewan families. And that's what's happening in Manitoba, and indeed that's what's happening in Alberta, Mr. Minister.

But it's not happening in Saskatchewan under the NDP (New Democratic Party) GRIP program. Because of your changes in Saskatchewan, the province is hijacking literally a substantial portion of that money and putting it into the provincial treasury just like you've done with the municipal infrastructure program as another example.

Mr. Minister, last year the NDP GRIP had a profit of over \$200 million. NDP GRIP took in \$200 million in revenues more than it paid out to the farmers that the program is supposed to be helping.

Mr. Minister, why is the province withholding money that rightfully belongs to the Saskatchewan farmer?

Some Hon. Members: Hear, hear!

Hon. Mr. Cunningham: -- The answer to that, Mr. Speaker, is very simple -- we're not. The member opposite well knows how the program works. The money is paid into a fund and that fund balances are there for future pay-outs or for future pay-ins if there's

a deficit in the funds.

Mr. Speaker, if the members opposite want to talk about history and talk about '91 GRIP, we can talk about that. We can talk about a program that cost the Saskatchewan taxpayers a \$178 per capita and the Ontario taxpayers \$6 per capita. We can talk about a program that costs \$7 million to measure every bin in the province of Saskatchewan. And we can talk about a program that was administratively a nightmare. And we can talk about a program that masked markets signals and we can have the whole GRIP discussion over again if you so choose.

Mr. Speaker, this government is now negotiating with the federal government to introduce a decent program, a good farm safety net that's capped, that is adequate, that is affordable by both producers and farmers. And we have given notice to get out of GRIP program, which is a legacy left over from the members opposite.

Some Hon. Members: Hear, hear!

Mr. Neudorf: -- Thank you, Mr. Minister. And as the line of questioning progresses, I'm becoming more and more worried because indeed I don't have a helmet as the minister appears to be growing horns now. And that is unfortunate . . .

The Speaker: -- Order, order, order. Order. Order. Personal remarks I don't think add anything to the quality of question period and I ask the member to refrain.

Mr. Neudorf: -- And I assure you, Mr. Minister, no personal accusations were intended.

Mr. Minister, the other night while my colleagues were doing a great deal of questioning on Crop Insurance, you gave the member from Morse a memo that I don't think that he was supposed to see, and certainly not the last page. This memo seems to suggest that you should downplay, as you're doing today, the huge profits GRIP is now making because, and I quote:

This could fuel interest around the court challenge to the GRIP changes.

In other words, Mr. Minister, your changes to GRIP have now made the program into a big moneymaker for the province and a big money loser for the farmers. And you wouldn't want the farmers to find that out, those same farmers who are taking you to court.

Mr. Minister, GRIP turned a profit of \$200 million -- a profit last year. How much do you expect it, your version of GRIP, to make this year as premiums get higher and pay-outs get lower? How much money are you forecasting that you're going to make this year?

Some Hon. Members: Hear, hear!

Hon. Mr. Cunningham: -- Mr. Speaker, again the member should not be playing with numbers. I think that follows -- people that play football without helmets shouldn't talk about numbers because they have a little bit of a problem with them.

The projected pay-out for the end of this year is in the neighbourhood of \$300 million. That again is a projected pay-out based on the latest grain prices.

I point out again to the member opposite that the last time they changed the estimate, they changed it by \$244 million. So that's still subject to those kind of changes before the end of the year.

Some Hon. Members: Hear, hear!

Mr. Neudorf: -- Mr. Minister, this same memo that you gave the opposition raises the distinct possibility that there will be no new program to replace the old GRIP program. It goes on to say:

. . . that if there is no new program to replace GRIP, the surplus amounts will then go and be returned to participants, to governments and producers.

Mr. Minister, this raises a very real possibility that a significant amount of federal and provincial funding will never find its way into the hands of producers who belong to GRIP and have paid premiums over the last three years. It will probably wind up in the treasuries of the federal and the provincial governments.

Why would you allow that to happen, Mr. Minister? Why would you allow Saskatchewan farmers to be denied the benefits that they have been paying for over these last few years.

Hon. Mr. Cunningham: -- I invite the members opposite to help us lobby the federal government for a new safety net program that will be in place to replace GRIP. I have the word of the federal Agriculture minister, saying that they believe that it's quite possible and we can have a new safety net in place by the end of '94. And the federal minister is on record as saying that. We're working very hard to have a new program to replace GRIP.

In the event that we don't have a program replacing GRIP, the producers in Alberta and Manitoba will, in all likelihood, have a program where they pay premiums in and have no chance of collecting anything out of. That may be not a whole lot better than having no program at all.

Mr. Neudorf: -- Mr. Speaker, it's interesting to note that not only are the implications expressed on this particular memo from the minister, but his answers are also quoted on here, and he's answering very closely to script. So you're doing as you're told, Mr. Minister.

But what I have for you is one more question. And that is that this memo says that if there is a program to replace GRIP, any surplus will be handed over to that new program that will replace the existing GRIP. This

means that producers will be forced to join the new program in order to access money that was rightfully theirs on the previous GRIP, Mr. Minister. You are arm-twisting GRIP participants to join the new program even though they may not want to.

And I would say conversely, and even worse, is the fact that there are people who were not in GRIP, who are going to join this new program as such and be gaining benefit from the farmers who invested money in the previous GRIP. Is that fair, Mr. Minister? Or was it simply in your plan all along to make huge profits under the NDP GRIP program, profits that could be paid out to farmers when it's convenient such as the next election year?

Hon. Mr. Cunningham: -- That, Mr. Speaker, is a very good question. I think it should be directed to his seat-mate beside him because if you read the memo carefully or if you have the whole memo there, you would find that the reason that we're concerned about exactly that problem is the wording of the agreement that was originally set up; saying that possibly . . . and we don't know for sure the legal interpretation of it -- but it seems that the agreement says that funds may have to be paid into a new program, and we do not subscribe to that for the very reasons that you point out, that it is not fair for people who do not want to go into the new program or people who are not in this one. And certainly that's not an option that we choose. But if that is the legal agreement that your seat-mate signed, we may well be stuck with that.

Some Hon. Members: Hear, hear!

Patronage Appointments

Mr. Swenson: -- Thank you, Mr. Speaker. My question is to the Premier. Mr. Premier, prior to the 1991 election, you made the following statement: partisan people, party people, and defeated MLAs (Member of the Legislative Assembly) and candidates ought not to be serving on government boards. If we don't succeed in this and continue to appoint party hacks, then I've gotten nowhere.

Mr. Premier, do you feel you've lived up to this commitment since taking office?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: -- Mr. Speaker, I believe that essentially I have, and I'll tell you why I have. If one wants to take a look at the history from 1982 to 1991 when the landscape was absolutely littered, littered by appointments of defeated PC (Progressive Conservative) candidates and PC partisan people without any consideration to quality or ability, I think the comparison really is black and white, night and day.

The reality is, in a small province of a million people, you have to appoint the best qualified people that you can. Some may be New Democrats and some may be even Progressive Conservatives. If I could find a qualified PCer, that would be the case too. Some might even be Liberals. The point is, in a province of a million people, you need to do the best that you can, and we have had as much success as any provincial government. And I'll tell you, we are light years ahead of anything that took place prior to '91.

Some Hon. Members: Hear, hear!

Mr. Swenson: -- Thank you, Mr. Speaker. My question is for the Premier. As always, Mr. Premier, you always refer to the former administration. Now, Mr. Premier, the comparison doesn't hold up, simply doesn't wash. And I'd like to quote to you, sir, from the New Democratic caucus document entitled, Democratic Reform for the 1990's released just prior to the last election, and it says, and I quote:

Between 1982 and 1990, no fewer than 15 former or defeated PC MLA's (or candidates) were appointed to . . . crown corporations, boards, commissions or departments or given special employment contracts with the government.

Fifteen, Mr. Premier, in nine years.

I have here today, Mr. Premier a list of 37 former NDP MLAs, candidates, and candidates for nomination that have received government appointments in just over two years under your administration, sir. The bottom line, Mr. Premier, is that the political patronage you were elected to stop has continued far worse than it was before. Do you believe, Mr. Premier, making these kind of promises and then breaking them is the proper way for your government to head?

Some Hon. Members: Hear, hear!

Hon. Mr. Romanow: -- Mr. Speaker, I don't of course accept the premiss upon which the question is based, mainly making these kinds of promises and then breaking them. I do not accept that premiss.

But I want to say to the interim Leader of the Progressive Conservative Party, the Leader of the Opposition, Mr. Speaker, I'm going to invite you to be a guest speaker at the forthcoming NDP provincial convention in 1994 because they believe that, amongst all of the criticisms that political parties and party members have, that this government has been so absolutely committed to the idea of making as many non-partisan, qualified appointments that we were hiring too many Conservatives. And so what I have to do is invite you to the convention to give that speech just to show to my party that in fact what I'm saying is the fact, the truth.

Some Hon. Members: Hear, hear!

Mr. Swenson: -- Thank you, Mr. Speaker. Well, Mr. Premier . . .

The Speaker: -- Order. Let the member ask his question. Order.

Mr. Swenson: -- Mr. Premier, you and I can't change

the past. And your party's predilection for dipping in the trough is your problem, not mine. Okay? But you and I can change the future. Today in this legislature I'm going to introduce a Bill, sir, that would allow an all-party committee of this House to do appointments to boards and commissions and that type of thing.

Mr. Premier, it would be an all-party committee of this House that would have the majority of your members on it. And I think it would go a long way to restoring public confidence in the process, Mr. Premier. What I'd like to find out from you today is, do you support the concept? I don't say support the Bill specifically. Do you support the concept of doing that very thing in order to give the public confidence in our political system?

Hon. Mr. Romanow: -- Mr. Speaker, I thank the Leader of the Opposition for the question, and I say this now with a great deal of gravity and sincerity. I think this is an important question because the concept I support is that there should be a qualified, independent civil service that advises governments of all political ideologies and stripes.

That we have taken unfortunately -- and I know you don't want to talk about history -- but from 1982 to 1991 we took a giant step forward to the Americanization of our civil service. We so politicized it that the inevitable pressure on the incoming government was to rectify the imbalances of '82 to '91. I think I've resisted that, I might say so at some considerable internal political price, and resisted it for a whole number of other reasons.

But you ask, do I support the particular concept that you have put forward. I tell you that I think that concept is flawed in its specifics. Now let me give you one example. We have introduced major health care reform. One of the aspects of major health care reform is for the interim, the appointment of hospital boards.

Now your desk-mate and colleague, the member from Kindersley, but your entire caucus has opposed that reform, tooth and nail, every step of the way. How in the world could it logically be argued therefore that in the non-partisan way you could contribute to the appointment of men and women who actually want to support the renewal of health care in Saskatchewan? Can't be done.

Some Hon. Members: Hear, hear!

Mr. Swenson: -- Thank you, Mr. Speaker. Mr. Premier, when those people are elected they will have the backing of every person in this province. And, Mr. Premier, things are changing. Things are changing. People expect to have the opportunity to serve in this province regardless of their political affiliation.

As a matter of fact the new Liberal Premier of Nova Scotia, and I would quote to you, sir, says:

The process must be more than just a means to reward the party faithful for past services. Government has a responsibility to seek out strong and qualified candidates. There must be a process where government is held accountable for this responsibility.

Mr. Premier, they're on the right track in Nova Scotia, the most patronage-rife province in this country.

What we are proposing to you today, sir, is that Saskatchewan join the ranks of provinces that are prepared to move ahead and do this in a way that the public finds accountable.

Mr. Premier, will you support that process today?

Hon. Mr. Romanow: -- Well, Mr. Speaker, in fundamental terms and broad concepts, I do not oppose and the members of my government do not oppose, what the Leader of the Opposition is saying. I'm arguing that we are making improvements and taking giant steps forward to achieving that objective.

It is not possible to do it in every circumstance. And the one example that I cite again is the example on the appointment of the health boards. That's the reality. You people still are opposed to it tooth and nail, as are the Liberals. How in the world can we appoint in this kind of a circumstance?

Now look, I applaud Dr. Savage, my colleague, the Premier of Nova Scotia. But you're right. The Liberals in Nova Scotia, this is the most patronage-ridden province in all of Canada. He's trying something there which is incomparable to anything in Saskatchewan, perhaps with the exception of '82 to '91.

I'm not going to get into a situation either like in Alberta where they do away with all the school boards in Alberta, and now the government will appoint the school superintendents directly -- school superintendents. Now if that isn't politicization of education, I don't know what is. I'm not going to get into that either. We've got to work toward this cooperatively; we need to do more. I admit that we need to do more. I think we've taken giant steps forward. You've got to put forward proposals which are more specific and, I say with the greatest of respect, more sensible on this specific issue.

Some Hon. Members: Hear, hear!

Sask Forest Products Lease

Ms. Haverstock: -- Thank you, Mr. Speaker. My question is for the minister in charge of Sask Forest Products. The property on which Sask Forest Products saw mill was built in Carrot River some 19 years ago, was owned for a time by the government. Five years ago it was sold to Premier Sask Inc., which is a Quebec-based firm. It in turn leased back the property to Sask Forest Products.

Now that lease expired, Mr. Speaker, and Mr. Minister, on January 1 of this year. And the people of Carrot River fear that the government's inability to secure a lease for the town's Crown-owned saw mill could bring economic devastation to their

community. Mr. Minister, why has the lease not been renewed?

Hon. Mr. Lautermilch: -- Thank you, Mr. Speaker. In answer to the member's question, let me say first of all that we are dealing with a number of disasters and problems that were created by the former administration, this not the least of many of them.

Mr. Speaker, it's true that the land was sold out from underneath the Carrot River Sawmill at a price that we would not have agreed with, even with respect to market value at the time. I want to say that we are in negotiations with Premier Peat to secure the land so that the future of that saw mill will continue and it will be an operation that will continue to employ Saskatchewan people.

We haven't completed the negotiations yet, but I can to the member from Greystone that I have met a number of times with town officials from Carrot River, with working people who work at that mill. We have assured them that we are doing our utmost to secure the land, to ensure the future of the saw mill in Carrot River.

Some Hon. Members: Hear, hear!

Ms. Haverstock: -- Thank you very much, Mr. Speaker, Mr. Minister. I'm sure people will be relieved to know that after two and a half years in power and a lease that needed to be renewed on January 1, that you're now in consultation with them.

The residents of Carrot River tell us that the property needed for its saw mill is not secure. And that given that it's not secure, they're very worried that their mill may be relocated. And word has it that that may happen and it may go to Hudson's Bay. If that were to happen, the drain on that particular community would amount to \$5 million a year in salaries, just for the mill workers alone. And that doesn't include the loggers, the truck drivers, and all the related industries.

Mr. Minister, the workers and the residents in this particular rural area have no idea what the provincial government has in store for them. And will their saw mill be retained in Carrot River? That's what they would like to know today.

Hon. Mr. Lautermilch: -- Mr. Speaker, let me assure the member from Greystone that this government does not operate in the same fashion that the previous Conservative government did in terms of giving away land underneath a Crown asset, underneath a provincial asset, any more than we would go into a deal, as the former Liberal operation did, with respect to the give-away to Parsons and Whittemore of the pulp mill in Prince Albert.

I want to say, Mr. Speaker, that this is a new way of doing business. We are in negotiations with Premier Peat to secure the property. We are well on the way to doing that. We will be doing it for a fair market value. I want to say, Mr. Speaker, that the people of Carrot River do have an idea, and I say the member from Greystone is doing nothing but playing politics.

I indicated to her I met with their town council. I've met with RM councils in the area, assuring them of the process that we are embarked upon. I've met with the workers to include them in the decisions, to explain to them exactly what we're doing.

I say to the member from Greystone, instead of standing up in this House and grandstanding, why don't you get on board and try and help us to repair some of the damage done by her brothers and sisters of the Conservative Party who are nothing more . . .

The Speaker: -- Order, order. Next question.

Ms. Haverstock: -- Thank you, Mr. Speaker. Mr. Minister, there is only one person who's been grandstanding between the two of us. To the people of Carrot River and this area, this has nothing to do with pure politics and grandstanding. This is genuinely a concern to them, Mr. Minister, and you are the minister in charge.

As you know, it is far more expensive to try to create a new job than it is to try to keep the jobs that already exist. And if Carrot River loses its saw mill, 133 employees and their families will be affected directly. The cost in salaries, as I stated earlier, will be above \$5 million.

Mr. Minister, have you assessed the cost of moving the mill? And can you confirm that the additional cost to the Saskatchewan taxpayer, if this were to happen, will be somewhere around \$16 million?

Hon. Mr. Lautermilch: -- Mr. Speaker, let me say to assure the member from Greystone that we are doing everything possible to secure the land under which this mill sits.

And I want to say, Mr. Speaker, that we don't need a lecture from her with respect to doing business in Saskatchewan. This is the member who promised to bring an idea a week to the member from Regina, the Economic Development minister, and what has she brought to this province? What has she brought to this minister? Not one single idea. She stands up in this House scaremongering, Mr. Speaker. I say to her, we aren't rushing into the negotiations. We're going to complete them in a very proper fashion.

Some Hon. Members: Hear, hear!

The Speaker: -- Order, order. Before moving on the next item on the agenda, I do want to remind members that interference with other members while they're asking questions, either by loud conversation near the member that is asking the question, is simply unacceptable and will not be tolerated in this legislature in the future. I ask members to please give members the courtesy of asking questions and answering questions in question period.

MINISTERIAL STATEMENTS

Furnace Inspections

Hon. Mr. Anguish: -- Mr. Speaker, thank you. I wish to make an announcement in the House today. And I think what brought this announcement out finally is that members of the House would know that earlier this week five more people were taken to hospital with carbon monoxide poisoning. Fortunately they were released after a very short period of time. In this particular case the furnace was not faulty, the chimney was not faulty, but there was a plugged filter and an inaccurately installed door on the furnace.

And today I'm announcing that I've asked SaskPower gas inspection division to add four temporary gas inspectors to speed up the inspection of the propane and natural gas chimneys and furnaces that appear to present a safety risk to Saskatchewan home-owners. The number of gas inspectors is being increased to respond to recent home-owner concerns regarding the safety of type A chimneys and the Flame-Master FM series heat exchangers.

In addition, SaskEnergy have stepped up their service technicians' efforts to identify possible deficiencies which are then immediately referred to SaskPower's gas inspection division which is the proper inspection authority under The Gas Inspections Act.

I have taken these steps because the severity of the past winter has resulted in an above-normal deterioration of these and other heating products. The inspections will be carried out based on information the gas inspection division has on file, which if any home-owner have these products or are concerned about their safety, they should call the gas inspection division in either Regina or in Saskatoon. And outside of those centres, customers should call any SaskPower or SaskEnergy office as soon as possible. This increased inspection effort will be funded by SaskPower. We'll be giving the safety concerns of Saskatchewan home-owners the highest priority over the coming year.

Thank you, sir.

Mr. Boyd: -- Mr. Speaker, with regard to the minister's statement, we have a few concerns that we'd like to bring to the minister's attention at this time. While on the one hand he's increasing the number of gas inspectors particularly in light of this problem -- and we agree with that, Mr. Minister -- you're also at the same time cutting the number of fire inspectors, Mr. Minister, and we think that's of grave concern to the province of Saskatchewan, particularly in light of what's going on here today, Mr. Speaker.

Something the minister might also consider is the fact that just -- I believe it was -- a couple days ago, there was a family in Regina that had a problem with their fireplace, and they just were barely able to get out of their dwelling prior to being overcome, Mr. Minister. And we would think that your inspection should move into that concern as well, deal with that concern about fireplaces as well, Mr. Minister, natural gas fireplaces because that is an area that is certainly dangerous. And we've seen in the last days, about the news, Mr. Minister. It's something that I think you should be considering as well, the problems associated with that.

So while these steps are good, Mr. Minister, I think there's extra steps that could be taken, and you should be looking at those as well.

Some Hon. Members: Hear, hear!

Ms. Haverstock: -- Thank you, Mr. Speaker. Mr. Minister, and members, we are very pleased that the inspection division of SaskPower has recognized and acted on the need for more gas inspectors in order to ensure the safety of Saskatchewan home-owners who heat their homes with natural gas. As you may recall, this was raised by the member from Regina North West in question period not long ago, and we are more than delighted that you have responded.

We can only assume, Mr. Minister, that you will inform all SaskEnergy customers of this change in order to ensure their safety and that perhaps there will be a more concerted effort as far as educational forms are concerned so that there can be preventive measures taken by citizens of Saskatchewan.

INTRODUCTION OF BILLS

Bill No. 31 -- An Act to amend The Legislative Assembly and Executive Council Act (Appointments Review Committee)

Mr. Swenson: -- Thank you, Mr. Speaker. I move that a Bill to amend The Legislative Assembly and Executive Council Act (Appointments Review Committee) be now introduced and read the first time.

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

STATEMENT BY THE SPEAKER

Ruling on Privilege

The Speaker: -- Before orders of the day I wish to make a statement on yesterday's privilege question that was asked in the House.

In the absence of further statements from members on the question of privilege raised yesterday by the member from Moosomin, I am prepared to deal with the matter today.

In his question of privilege the member from Moosomin argued that an alleged violation of the Board of Internal Economy directive no. 4, the communications allowance, by the member for Yorkton, constituted a breach of privilege and a contempt of the Assembly. The action of the member was claimed to be in contempt of the House because it constituted disobedience to the orders of a legislative committee.

At the outset I want to make it clear that the function of the Chair at this time is not to determine whether the charges made are true or whether the actions complained about constitute a violation of a board directive. My sole function at this time is to determine whether the case raised fulfils the requirements to be dealt with by the Assembly as a matter of privilege which means that it is given precedence over other business before the Assembly.

I have carefully considered the arguments made by the member. I find the claim that this matter is proper to be considered as a question of privilege is based on a misunderstanding of the status and nature of the Board of Internal Economy.

The Board of Internal Economy is not a legislative committee. The board was established by section 68.7 of The Legislative Assembly and Executive Council Act. It is a statutory board and derives its duties and its authority from that statute, whereas committees are creatures of the House and can only do what is delegated to them by the Assembly. Unlike committees whose members are appointed by resolution of the Assembly, the composition of the board is determined by statute, and its members are appointed by the Lieutenant Governor in Council.

And further, the Board of Internal Economy does not have the basic powers of legislative committees, that is, the power to call for persons, papers, and records, and to examine witnesses under oath. The board is an administrative body empowered by statute to administer the support service to the Legislative Assembly and the remuneration of members.

The member is correct, that disobedience to orders of a committee, for example refusal of witnesses to attend or produce documents, may be found to be a breach of privilege. However it is my view that the alleged violation of the orders of the board, an administrative body, not an arm of the House or a legislative committee, does not qualify as a matter of privilege or contempt.

In support of this decision, I refer members to a decision of Speaker Lamoureux of the House of Commons, dated April 14, 1970, found on pages 5519 and 20 of the debates of the House of Commons. In this instance, a member rose on the question of privilege to complain that public funds were improperly used to pay for some ministers' constituency expenses. Speaker Lamoureux ruled that the matter did not constitute a proper question of privilege and refused to put the question.

The finding that this case is not governed by privilege procedures of the Assembly does not mean that the issue is unimportant. This case involves the interpretation and application of the orders of the Board of Internal Economy with regard to the expenditures out of the MLA communication allowance. To the extent that this is an administrative matter, the board has the responsibility under section 50 of The Legislative Assembly and Executive Council Act to determine what is proper use of the allowance and whether the directives need to be clarified. And it seems reasonable that the matter be considered by the board.

This ruling does not prevent the matter from being considered by the Assembly. The conduct of members may always be

debated through a substantive motion clearly laying out the charge, and submitted with due notice.

ORDERS OF THE DAY

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 28 -- An Act respecting Public Health

Hon. Ms. Simard: -- Mr. Speaker, I'm pleased to rise today to move second reading of The Public Health Act. The existing Public Health Act established the framework for the protection of health and the prevention of disease in our province. Although this overall objective has not changed, we are introducing a new Public Health Act. We are doing so to update its provisions. We will also create a more flexible framework that will more effectively protect the health of the people in communities in this province.

The existing Public Health Act has been in place since 1909. Since then it has been revised many times. The result is a patchwork piece of legislation which is difficult to use, cumbersome to enforce, and has many gaps in terms of its ability to protect the health of our population.

This Bill protects the health of our communities by ensuring that the people of Saskatchewan have access to clean water and to safe food and milk. It continues our ability to control communicable disease. New provisions in the Act will help communities assess the risk of health hazards and take steps to prevent or remedy them.

Mr. Speaker, for the first time in Canada, this legislation recognizes the importance of controlling non-communicable diseases as a top priority for a modern health system. Heart disease, cancer, cerebrovascular diseases, diabetes - _ these are the killers in today's society. And to a remarkable degree each of these is preventable. We are learning to place more attention on prevention so that less treatment and care is needed and so that people can enjoy healthier and happier lives.

This legislation allows us to pass regulations that improve our ability to prevent, investigate, and control non-communicable diseases and injuries. It also has provisions requiring physicians to report information concerning injuries, deaths, birth defects, or other illnesses. In this way, Mr. Speaker, more can be learned about new diseases or those occurring in unexplainable clusters. This should lead to earlier identification of the causes of such illnesses and more rapid implementation of strategies to prevent them.

(1430)

Communicable diseases have not been forgotten. Around the world, more and more people are living with HIV (human immunodeficiency virus) or AIDS (acquired immune deficiency syndrome) and this legislation protects the privacy of these individuals, while at the same time strengthening our ability to limit the spread of this fatal disease.

Mr. Speaker, this Bill simply brings the existing Public Health Act into step with the 1990s. We now know a good deal more about what needs to be done to protect public health than was the case years ago, particularly in the area of non-communicable disease and injuries. This Bill will allow us to get on with the job.

And I am therefore pleased to move second reading of this Bill, an Act relating to public health. Thank you.

Some Hon. Members: Hear, hear!

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, my colleagues and I want to have more time to review the Bill that's been presented to the House.

I would mention though that as I was meeting with some of the SARM delegates, I ran into a couple of young ladies from home who happen to be public health nurses, who raised some concerns with me. Now I'm not exactly sure if some of the changes the minister was talking about today will be related to public health nurses that are meeting in Regina this . . . actually met yesterday and today to discuss their role in the new wellness model.

And I think those are some of the areas we want to research, we want to look into, we want to gather some more data on, before we proceed further with debate on the Bill, on The Public Health Act, and before in fact, Mr. Speaker, we move to committee. Therefore I move to adjourn debate.

Debate adjourned.

Bill No 29 -- An Act respecting the Health Services Utilization and Research Commission

Hon. Ms. Simard: -- Thank you. Mr. Speaker, I rise today to move second reading of The Health Services Utilization and Research Commission Act. This Act establishes the Health Services Utilization and Research Commission as an independent, arm's-length body, capable of providing research and analysis to the government, health care providers, and the public. The research is used to identify where and how health services can be used most effectively in Saskatchewan.

There are two facets to the commission's responsibilities. The first is to foster the efficient and effective use of health services. The second is to promote and support research in the health sciences and health-related social sciences through annual grant competitions.

Briefly, Mr. Speaker, this Bill sets out clearly and succinctly the objectives of the commission and gives the commission the power it needs to fulfil its objectives. It also makes the

commission accountable to the Legislative Assembly by requiring it to submit an annual report to the legislature.

The commission was first established under The Crown Corporations Act in 1992. At that time a commitment was made to the research community and to the members of the commission that the Health Services Utilization and Research Commission would be eventually established under its own legislation.

By passing this Act we fulfil our promise and ensure that the commission will be an independent, arm's length body. More importantly, we ensure that its recommendations and advice are independent and autonomous. Over the past two years, Mr. Speaker, the commission has provided over \$2 million in research grants to support a range of clinical and applied research projects. In addition, the commission itself has undertaken a number of studies. I would like to take a few moments to describe some of the activities undertaken by the commission.

In November 1992, the commission released thyroid testing guidelines to physicians, laboratories, and hospitals. The implementation of these guidelines could result in savings of \$1 million or more annually. In 1993, the commission recommended changes in the use of electrocardiogram testing which could save up to \$1 million annually when that's fully implemented.

The commission has also studied the acuity levels of medical and pediatric hospital admissions and stays in base, regional, and community hospitals. This study identified where services could be provided more cost-effectively. Several hospitals have already started applying the study's recommendations.

Recently, Mr. Speaker, the commission completed studies which set out guidelines governing routine testing practices in hospitals and ambulatory settings. The commission has also identified how different methods of organizing surgical services such as traditional in-patient day surgery and short stay can be used more effectively.

A new study just released examines whether the long-term care service is meeting the needs of the province and if current classification systems and budgeting and administrative policies should be changed.

One of the most important aspects of the commission, Mr. Speaker, is the partnership that exists between it and health care providers. The key to its success, I believe, is that the commission works with everyday practitioners. The recommendations or suggestions coming out of its studies are practical, useful, and can be implemented. As the results of the studies are completed and shared within the health field, they will contribute to the improvement of health services

in Saskatchewan.

Mr. Speaker, I am pleased to move second reading of this Bill, The Health Services Utilization and Research Commission Act.

Some Hon. Members: Hear, hear!

Mr. Toth: -- Thank you, Mr. Speaker. Mr. Speaker, my colleagues and I certainly aren't opposed to any further research or health research in this province. I think each and every one of us as human beings and as individuals living in the province of Saskatchewan are looking for even a greater access to health care -- not the greater access to health care services, but certainly we all support the idea of more research in ways of combating the diseases that face us on a daily basis.

And for those of us who are fortunate to have sound, healthy bodies and minds, we can be thankful for that as we look at the people that are struggling all around us, whether they be young children . . . And I think the recent incident of this young girl at Rouleau and what has been taking place in the health field to give her a new resurgence in life and a new hope in life, is an example of what research has done through the years.

The minister talked about another commission being appointed and being established. We would trust that the minister would indeed take a serious look in the appointment of members to this commission at looking at an all-party function that would certainly allow for a group of individuals to appoint members that would be beyond the scope of just political partisanship, but allow for individuals to be part of the committee, who would certainly look at a broad overview and reflect the total interest of taxpayers across this province.

Mr. Speaker, to allow for further review of the Bill before us, I now move adjournment of debate.

Debate adjourned.

The Speaker: -- Why is the member from Pelly on his feet?

Mr. Harper: -- To ask leave for the introduction of guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Harper: -- Thank you, Mr. Speaker. Mr. Speaker, it gives me a great deal of pleasure to introduce to you and through you to all members of the House, four constituents of mine and very good friends of mine too, Mr. Speaker, who are RM delegates and an RM administrator down here for the SARM convention here in Regina.

And I would like to introduce to you, Mr. Joe Mirva, councillor for division 5 of the RM of Clayton, his wife Lorraine, their daughter Denise; and the administrator for the RM of Clayton, Mr. Doug Ferder.

And I want to welcome them here to the proceedings of the House this afternoon. I hope they enjoy their stay here. I've arranged for a tour for them of the legislature a little later on. And I wish them well in their deliberations at their convention,

and a very safe trip home when they conclude.

Hon. Members: Hear, hear!

ADJOURNED DEBATES

SECOND READINGS

Bill No. 2

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lingenfelter that Bill No. 2 -- An Act to amend The Department of Economic Development Act, 1993 be now read a second time.

Mr. Thompson: -- Thank you very much, Mr. Speaker. I rise to take part in Bill No. 2, An Act to amend The Department of Economic Development Act, 1993.

Mr. Speaker, some of the key points of this legislation is that the government recognizes that trade is vital for the continued economic growth of Saskatchewan. In view of the changing global economic situation, an examination of current trade development mechanisms was undertaken to ensure and secure a competitive position for Saskatchewan exporters.

I take a look at the fishery industry alone, Mr. Speaker, and you see the depletion of fish stocks off the east coast and the west coast of Canada. And of course that impacts on other countries in Europe and in Asia who come over here to take part in the fisheries. Now they are going to be limited, so there is going to be quite a shortage of fish in the world. And I think that we in Saskatchewan have an opportunity here to take advantage of what has taken place on the east and west coast through the fisheries and through this legislation.

Through a series of consultations in 1993, industry and government looked at the options for enhancing the province's trade development capabilities. At the end of the process, it was decided that a more formal linkage between government and industry was desirable.

Mr. Speaker, once again, I feel that private enterprise will play a major role in the economic recovery of the province of Saskatchewan in a number of areas. Forestry, fishing, mining, and in tourism, I think are four main areas that private enterprise and government working closely together will play a major role.

Through the consultations the preferred option was the establishment of a trade development corporation to be managed and funded jointly by industry and government.

Privatization means the selling off of no further involvement or control by government. In this case, government will continue to provide funding and exert influences through appointments to the board of directors. The government will provide continuing support to trade development through provisions of funding to the corporation over the long term.

I think this corporation when established, Mr. Speaker, will, as I indicated before, play a major role. And I want to comment a little later on, in another Bill, on the fisheries portion.

But I think that when we take a look at what's happening in the forest industry, there's a shortage of forest products all over the world today, and we have so much forest in this province. And if we handle it properly and we get out and sell it across the border, in the United States . . . they're taking a lot of our forest products. And once again Asia and European countries are also doing that.

So we have an opportunity here to work together with private industry to establish a secure economic base for this province, and I think this Bill will do that for the province. Mr. Speaker, in closing, I want to indicate to you that I will be supporting this legislation.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: -- Thank you very much, Mr. Speaker. I want to take a few minutes, Mr. Speaker, to add my support to this Bill and do so in the context of economic development in Saskatchewan.

When this government came into office, Mr. Speaker, it was faced with a question: when you're in debt up to your ears and then some more, and when some of the systems that you've had in place for years have been undermined by things like NAFTA (North American Free Trade Agreement) and the Free Trade Agreement, and when the megaprojects that have been put in place have failed to deliver and what you end up doing is using taxpayers' money, what is it that you do? How do you get yourself out of that quagmire? And the question of course is monumental, and the answers are not going to be easy to come by. But this legislation points part of the way that this government is using to get out of the economic quagmire that we found ourselves in.

(1445)

Mr. Speaker, this Bill promotes or makes it possible for the government to set up a trading corporation. It does so in recognition of the fact that a large part, a very large part of Saskatchewan's economy is based on trade. And a lot of our well-being is based on our ability to deliver products and put them into all corners of the world.

How do we get somebody from Korea or Japan interested in these products? We have to have somebody that's able to go to the populated places in the world and do some promoting. Quite often things work out very well, and we do get people coming in from the outside and looking for markets, and we will continue to encourage that.

At the same time we have a lot of small-business people in the

province who don't have the whereabouts to make the contacts with the large companies. And I think about the new, opening markets, for example. There would be a follow-up to the processing of wild game or wild fruits and berries or domestically grown fruits and berries, which are just being developed, and vegetables.

Mr. Speaker, this is a very, very important aspect of the chain that is needed to support a complete industry and marketing system.

There's one other concept I wanted to mention here, Mr. Speaker, with respect to how this fits into the total industrial strategy of this government. If megaprojects are not going to work, if you're limited in how much you can expand in Crown corporations -- you've already got cooperatives in place, but they are established to do a certain thing -- you need a new ethic. You need something new to get started on.

And an amazing thing has been happening around the province of Saskatchewan. Local communities have been banding together in various ways to try to come up with how to establish little industries in their communities and then use that industry for their well-being and to be able to continue living in Saskatchewan and keep their communities going.

So this government has taken it upon itself to develop an economic strategy which is geared towards helping those small businesses. We have lowered the basic small business tax by half a per cent per year over four years; it's going to be lowered from a 10 per cent level to an 8 per cent level to show our positive indication that this is a direction that is very crucial to the development of Saskatchewan well-being.

The taxes have actually been lowered even in the time -- for that sector -- during the time when the rest of the province is deeply in debt and the demands on the rest of the taxpayers have been increasing. So we find, Mr. Speaker, that if can . . . And we believe in this sector, the small business sector, and that is what this particular Act is designed to do, is to aid that sector.

I have one other person, I believe, who wishes to speak on this debate so I will take my place at this time, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Roy: -- Thank you very much, Mr. Speaker, and fellow colleagues of the legislature. It gives me great pleasure indeed to take my place here and add a few comments on this particular Bill, An Act to amend The Department of Economic Development Act.

I think my colleague from Prince Albert Carlton has outlined some of the key points to this particular Bill as well as did my colleague from the riding of Athabasca.

The key initiative of course in this particular Bill is the formation of the Trade Development Corporation. And this of course comes right out of our economic development strategy, *Partnership for Renewal*; it's one of the initiatives that was outlined in the *Partnership for Renewal*.

And as we went around putting together the *Partnership for Renewal* document, the economic blueprint for the future of Saskatchewan, Saskatchewan business people and Saskatchewan residents, Saskatchewan farmers, indicated to us that one of the areas that they found some difficulty was of course trying to identify and trying to expand and trying to cultivate new markets out in the international community. And of course we felt that a corporation of some type, of some form, would certainly facilitate or go a long way in trying to assist these particular business people and individuals.

And it's important to note, Mr. Speaker, and fellow colleagues, that Saskatchewan of course depends very, very highly on the export markets, and it's very, very important to the future of this provincial economy and to the future of this province that we identify and we cultivate these particular markets.

So the Trade Development Corporation will do exactly that, Mr. Speaker. That is its mandate, is to bring in the private, the public, the cooperative sector together, to work in trying to expand these particular economic opportunities in the world market.

And as my colleague from the Prince Albert Carlton so appropriately pointed out, there is no doubt that the world economy and the world market-place is changing and there's no doubt that the Canadian economy and the Saskatchewan economy is expanding, is changing, and we need to change with those particular initiatives.

And I'm very happy to say and very proud to say that this development corporation, this Trade Development Corporation, is going to go a long way in creating major economic benefits and spin-offs to the province of Saskatchewan and to businesses in Saskatchewan. And I certainly commend the Minister of Economic Development on this particular Bill and wholeheartedly support it.

Mr. Speaker, I'd like to adjourn debate now on this particular Bill.

Debate adjourned.

Bill No. 3

The Assembly resumed the adjourned debate on the proposed motion by Hon. Mr. Lingenfelter that **Bill No. 3 -- An Act to Create, Encourage and Facilitate Business Opportunities in Saskatchewan through the Establishment of the Saskatchewan Opportunities Corporation** be now read a second time.

Mr. Roy: -- Thank you very much, Mr. Speaker, and fellow colleagues of the legislature. Again it's indeed a pleasure to stand here and make a few comments on this particular Bill and this particular Act.

Mr. Speaker, as we went around again in the consultation period for our economic blueprint, *Partnership for Renewal*, there was extensive consultation and discussion on the future of the Saskatchewan Economic Development Corporation and the role that it had played in the development of the Saskatchewan economy and the future of this particular institution.

We felt, based on the discussions and the consensus that we came up with, that it would be appropriate in the future to look at creating another development agency for the province.

I want to say that the Saskatchewan Economic Development Corporation, Mr. Speaker, has done in the past tremendous . . . has brought tremendous benefits to the Saskatchewan economy and has expanded the economic base of this province immensely. Yes, there was some problems with the institution, but I would suggest to the members of the legislature and to the business people in Saskatchewan that the benefits far outweighed the downside.

Mr. Speaker, we looked at basically the structure of a new economic development corporation, and it was the consensus that we should have and the government should play some kind of role in economic development. We all know that that has been happening since 1905, and the general feeling was that that should continue into the future.

The new Saskatchewan Opportunities Corporation, which is going to come into existence later this year, the basic mandate and the role of this particular institution will be to provide financial services including lending guarantees and some equity to small and medium-sized viable businesses in Saskatchewan. I would say, Mr. Speaker, that that is of course breaking away from some of the activities that have happened in the past, in particular with megaprojects and some of the more high-risk ventures. We are putting the priority on small and medium-sized businesses in Saskatchewan, and this corporation is going to deliver on that promise, Mr. Speaker.

This corporation will also, because of the changing economic atmosphere, Mr. Speaker, this corporation will also take an active role in promoting economic development by seeking loan and investment syndication with private sector financial institutions and venture capital funds to share the risks in particular projects. And again, I think this speaks of new strategic alliances which this government has talked about; and again, this is going to be another fundamental mandate and role of this particular corporation.

Another role of this corporation will be to attempt to attract new businesses to Saskatchewan and finance those transactions.

There has always been a certain level of uncertainty and apprehension about the amounts of money that are expended or advanced to these particular institutions. I want to talk briefly about the capitalization of this particular corporation.

Under the Act, Mr. Speaker, and fellow colleagues, it states very clearly that Saskatchewan opportunities corporations will receive an annual allotment of money from this particular legislature. And, Mr. Speaker, that is going to be the same each and every year, but they are going to have to come back to this legislature each and every year and be accountable for each and every one of their loans and explain to the legislature as to where these loans were pursued and how they are structured.

It is also important to note that there is a limit on how much money will be forwarded to this particular corporation. The total capitalization, as I say, will be fixed and it cannot be increased without amending the legislation, and thus making it more accountable to the members of the legislature and to the people and the business community of Saskatchewan.

Budgeted allocations will again require approval through an annual budgeting process. I would like to say that this investment approach, Mr. Speaker, is very important and the government supports working with private sectors in trying to, again, work in strategic alliances to finance projects.

I would say that there is going to be some restrictions on some of the lending. The Saskatchewan Opportunities Corporation will not be able to lend to businesses that will compete with other, already-established businesses in the province. We are also going to put a high priority on targeting value added, export-oriented, and import-replacement industries, of course again keeping with the *Partnership for Renewal* where we target export and global markets.

So I think these are all important features of the Saskatchewan Opportunities Corporation. And I think that it is going to serve Saskatchewan business people, the province of Saskatchewan, very well and I think it's again part of the plan, Mr. Speaker, that we have for the province, the blueprint, *Partnership for Renewal*.

This is another one of the initiatives that this government has announced and is following up. We are just not speaking about particular initiatives, we are actually taking the front, Mr. Speaker, and setting them in motion. And I certainly want to say that again I commend the Minister of Economic Development and all of my caucus colleagues for this particular initiative. I thank you and I want to adjourn debate on this particular Bill at this . . .

Mr. Speaker, I withdraw the adjournment motion.

(1500)

The Speaker: -- The member can't withdraw an adjournment.

Mr. Thompson: -- Thank you very much, Mr. Speaker. I rise to speak on Bill No. 3, an Act to create the Saskatchewan Opportunities Corporation promoting economic growth in Saskatchewan. Mr. Speaker, the key points of this legislation is to establish, to foster and to facilitate economic development in the province of Saskatchewan; the increased focus on value

added manufacturing and processing, export-oriented businesses and attracting new business to the province. The key industry areas are agriculture, value added products in forestry, minerals, energy, tourism and information processing and communications.

The corporation will work with private lenders to provide a full range of commercial lending services, including loans and guarantees. The corporation will focus on developing relationships with financial institutions in the private sector. This will promote the spread of risk among many investors and reduce the amount of funding provided by the province.

Community support will also be critical to obtaining financing from the Saskatchewan Opportunities Corporation. All projects will be subject to commercial viability analysis before economic development benefits are considered.

Mr. Speaker, I now want to turn to what I see as a very important part of this legislation, and that is the added value on the things that we have and the resources that we have in our province. As I said before on the other Bill, I wanted to talk about added value for the fishing industry.

We have millions and millions of pounds of fish in northern Saskatchewan that are thrown away every year as the commercial fishermen, they fish their fish and they're only allowed to sell the fish that the corporation in Winnipeg decides that they want it at a certain time. And usually the ling cod and the mullets or the mariahs and the suckers are just thrown away. And there are millions and millions of pounds, and I'm not exaggerating on that, that are thrown away every year and that they could be used.

They're used in other countries. The ling cod, or the mariah that we have in northern Saskatchewan, is the same ling cod that they have in the ocean; it's fished off the coast of Iceland and other countries like that and used for commercial uses.

And there are many commercial uses for ling cod and to name one is cod-liver oil. The mariah has a large liver and that can be used to make cod-liver oil. It can also be used for fish meal. It can also be filleted and used in commercial restaurants, mainly for fish and chips.

And the other species of fish that we are throwing away and we are throwing away millions and millions of pounds of mullets. Fishermen when they start fishing in the spring, they might get a hundred pounds of pickerel or northern pike that they can sell to

the corporation. And out of that hundred pounds of fish they probably get in some cases 3 and 400 pounds of rough fish that they literally throw back into the lake to feed the pelicans and the seagulls or, in the case of the winter, is thrown out on the ice for the ravens and other animals to consume.

This also could be used and could be used for pet food and for making fish meal and fertilizers. I think we just have to use our imaginations and give people the opportunity to get out and develop the resources that we are throwing away. We have a world that is starving, is crying for this product that we throw away and we just have to stop that.

I think that this corporation here will help individuals who want to get involved in finding the markets. First of all you have to establish your markets so that you can get out and sell the product and then you have to set up, and I sincerely hope that this corporation will do that.

In the forest industry I want to talk about value added products too in the forest industry. As you go into the North and you . . . not just in northern Saskatchewan, but you know it's from Saskatoon north is where you start running into the forests. And we have stands in southern Saskatchewan of jack pine and tamarack and poplar, spruce trees, and birch; all can be sold for different things.

Tamarack and jack pine -- and we just have so much of it in this province -- can be used for railroad ties. And there is a demand out there for railroad ties. We have large stands of small fence posts that farmers are using, and now with the cattle prices the way they are, they're going up and the demand for fence posts is just increasing in leaps and bounds. You see the small post-peeling operations and treatment plants are springing up all over.

And I think that this is an opportunity for Saskatchewan and this corporation to get the private enterprise involved and to establish more and more of the small-scale forest industries that can take advantage of, as I indicated, fence posts for farmers and railroad ties for the railroads and lumber for the world markets.

I think, Mr. Speaker, as I said before, the private sector are going to play a major part in our recovery. And I think that we have to get away from the large megaprojects that we have seen in the last number of years, and I specifically talk about megaprojects like Weyerhaeuser and Millar Western . . .

Some Hon. Members: Hear, hear!

Mr. Thompson: -- . . . in the forest industry where we as government give out large amounts of money in the forms of grants and guarantees on loans, and what we really get back is a few jobs but they're never secure, as we've seen on the east side with Simpson Timber -- they work there for so many years and then they just take off and then they just leave it. And I think that we have to put a stop to the megaprojects. Let the private enterprise come in, encourage them to develop the resources that we have.

I can just think if we were to take the \$50 million that we gave in an outright grant to Millar Western just to come into the

province . . . \$50 million grant. Those types of things just cannot continue and the taxpayers of this province should not be putting that up.

I compare that to private enterprise where they come in and put up their own money, and I want to speak specifically of the mining industry where they come in and that is private money and they create the jobs, the long-term jobs that we're getting in this province. And I think it's so important that this corporation, this new corporation, will be able to work closely with industry that is prepared to put their own money up and come into this province and help us develop our resources, create the jobs that we need in the province, and create the type of economic growth that will get us out of the doldrums that we face in this province.

The Saskatchewan Opportunities Corporation will be created under legislation to be brought forward in the spring in this session, which we are speaking on it now, and the corporation hopefully will be operating on July 1, 1994. Mr. Speaker, as I indicated, I think this is a good corporation; I think if it works out the way I see it working out, it will solve many of our problems not only just in northern Saskatchewan but on Saskatchewan as a whole.

In closing, I want to indicate that I will be supporting this legislation, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Kowalsky: -- Mr. Speaker, I believe that this Saskatchewan Opportunities Corporation which is formed by this Act will form a very important part of the Saskatchewan government economic policy because what it will do is it will be able to provide money to those businesses or corporations or enterprises which are developing which are unable to get money otherwise, and they will get into a partnership with them.

And it forms a part of the other . . . it completes the picture, Mr. Speaker. We have also in the package the development of a trading corporation which was dealt with earlier, so we'll have that marketing end taken care of. Saskatchewan has the know-how. It has the people, the desire to work. We've got the raw materials. We've got to be able to provide vehicles to get that to work for us. And I'm very pleased to support this Act.

I move adjournment of debate.

Debate adjourned.

Bill No. 6

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lingenfelter that **Bill No. 6 -- An Act to amend The Community Bonds Act**

be now read a second time.

Mr. Harper: -- Thank you, Mr. Speaker. Mr. Speaker, it gives me a great deal of pleasure to enter into this debate on the Act to amend The Community Bonds Act. As we all know, Mr. Speaker, the community bonds can be a very valuable tool for the economic development here in Saskatchewan, and these amendments will certainly make that ability much more easier to access and much more flexible, depending on the needs of the communities.

This is also a very good tool, Mr. Speaker, in economic development as it pertains to rural Saskatchewan. As I think we're all aware, agriculture is going through a rather horrendous transition period with the global marketing and global impacts that it has on that industry. And there's a growing need and a growing desire by communities all across rural Saskatchewan to enter into value added operations that will be community-based, will be community-based industries that create jobs that will stay within those communities, and equally as important, Mr. Speaker, will be the opportunity for the revenue and the profits generated from such an economic community-based industry that will also stay within the communities.

And the community bonds vehicle has assisted approximately 155 communities and/or groups here in Saskatchewan since it was first introduced in 1990. And, Mr. Speaker, I'm proud to say that I have had some connection with a group that entered into a community-based industry through the economic bonds vehicle. And of course that's Sask-Can Fibre's operation at Canora, Saskatchewan, which serves not only the Canora constituency but also serves my constituency of Pelly. It is a very worthwhile and positive approach, Mr. Speaker, to economic development within this province.

As there becomes a greater and greater market, particularly in the Pacific Rim countries, but throughout the world for the value added, superior agriculture products proved in Saskatchewan, there comes a greater need to assist these communities who, through their own initiative, want to benefit and capitalize on those ventures.

We see that the Sask-Can Fibre operation in Canora, for example, has not only benefited the community through the jobs it has created, but it has also benefited the agricultural economy around there as is making now a new market for those farmers for the use of their flax straw, which normally would have simply been a waste product. And it's created a number of opportunities for farmers to earn off-farm income through the use in putting their equipment, their tractors and their balers, to work in baling this flax straw. And there's been a spin-off benefit to the trucking industry in the area as they now have jobs of hauling the flax straw to a gathering point.

That's the type of economic development, Mr. Speaker, that the community bonds will assist and initiate in many cases.

Very similar to what took place a couple of years ago with the establishment of Norquay Alfalfa Processors Ltd. That once again, Mr. Speaker, is a totally community-owned and community-controlled operation. And that's the hallmark to the recovery of Saskatchewan, the rebuilding of Saskatchewan, and

the rebuilding of the economy of this province. It's absolutely the hallmark that will give to those communities the initiative and the ability to invest in their own futures.

(1515)

As I've already said, Mr. Speaker, there's been approximately 155 communities and groups that have taken advantage of the community bonds program. Their initiative and their forward looking by the residents and those involved in those committees that perceived the need for a community-based industry in their community -- I commend that.

As I was mentioning earlier about Norquay Alfalfa, having that operation there in that community, Mr. Speaker, has created some 55 jobs that now has a payroll of approximately \$1 million that stays right in that community.

But what is even more important to me personally, Mr. Speaker, in this particular project is the fact that those 55 jobs for the most part are filled by young people. It now gives them the opportunity to stay in their community, to raise their families in that community, and the whole spin-off effect of that plant goes much beyond simply the production of alfalfa.

With those children staying in that community it maintains the schools and the hospitals and so on and so forth, and the business places in that community, and it provides a future. A future for that community that will be not only prevalent to us today, but quite frankly, Mr. Speaker, it will be there for my children and my grandchildren.

Some Hon. Members: Hear, hear!

Mr. Harper: -- And that, Mr. Speaker, is what the Saskatchewan spirit is all about. And that, Mr. Speaker, is what the community bonds is going to assist. It's going to assist that Saskatchewan first, the Saskatchewan way, spirit, in meeting the challenges of today and securing a secure future for all of us in this province. But most importantly, Mr. Speaker, not only for us in our generation, but for generations to come.

And I think, Mr. Speaker, that it goes without saying that Saskatchewan people are renowned for their ability to take on adversity, for their ability to meet the challenges of the changing times and to have the flexibility to change with those times.

I think we see that. In fact, Mr. Speaker, I know I see it all across my constituency. Because five or six years ago there was very little thought and very little discussion within the chamber of commerce, within the town councils, and within RM councils to give much concentration on economic development.

They were quite comfortable with the number one industry at hand which was agriculture. But as agriculture has changed over the last half a decade, there has been a growing concern and a growing recognition for that need to take agriculture one step further, from just a producer of raw material to being able to take that raw material and value added right in our own local communities and then make available to the international market-place a value added product that is not only top quality, but is also very much in demand.

And the community has recognized that in order to have an industry that is going to be viable and have the ability to stand alone in the commercial market-place, there is certainly the need to carry out market studies and identify the market demands and the market wishes, whether they be in Japan or whether they be in Korea or whether they be in Mexico. And the community bonds program, Mr. Speaker, will further enhance the ability for the community groups to pursue that avenue, that avenue of identifying what the market demands are out there and how they can take that raw product that's produced at home, value added to meet those demands.

And, Mr. Speaker, it goes I guess without saying that it is truly my pleasure to be in support of this particular Bill to amend The Community Bonds Act. Thank you.

Some Hon. Members: Hear, hear!

Hon. Mr. Shillington: -- Mr. Speaker, I'm of the understanding that there may be other members who want to contribute to this debate. I'm therefore going to ask that the debate be adjourned.

Debate adjourned.

Bill No. 7

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lingenfelter that **Bill No. 7 -- An Act to amend The Research Council Act** be now read a second time.

Mr. Koenker: -- Thank you, Mr. Speaker. I'm very pleased today to speak to the Act to amend The Research Council Act. This is a piece of legislation that isn't going to move earth and heaven or move most of the population of Saskatchewan. But for the people of Saskatoon, especially my constituency of Sutherland-University, and especially those who are in the scientific or technological community and many of those in the business community, this amendment to The Research Council Act will be very important legislation.

And in this connection I want to give credit to the people at the Research Council for the work that they are doing to bring innovation and technology to our province.

The simple facts of this legislation are that it basically recognizes where the Research Council is going in terms of its increased interaction with the private sector. These are timely changes. The changes to the composition of the board don't preclude academic participation in the board, but they do recognize the need for full partnership with the client community that the Research Council now deals with. And this needs to be reflected in the governance as it is taken care of

or addressed by the amendments.

The second feature of this legislation is that it allows for individuals to give gifts to the Research Council as an agent of the Crown, and in fact there is actually one gift for half a million dollars that is waiting for this legislation to be passed before it can be accepted by the Research Council. And I don't think that anyone in this Assembly would want to vote against that very generous gift going to the Research Council to further its work. This will also allow others to make such gifts in the future in order to encourage research and development work at the Research Council and to facilitate innovation in our province.

A third and final provision of this legislation -- and who can argue against this? -- is that there would be timely tabling of documents in accordance with The Tabling of Documents Act. This is part of our commitment to legislative reform, to democratic reform, and is consistent with our process that documents be tabled in timely fashion so that they mean something when they're tabled.

So in summary, these are significant changes to the Saskatchewan Research Council, recognizing it as an important component of the scientific and technological community in our province and also an important community for the business community and its evolving role. And these amendments recognize that evolving role of the Research Council.

Mr. Neudorf: -- Thank you very much, Mr. Speaker. I have a few words to make on this particular amending legislation to the Saskatchewan Research Council Act. And I don't think that we're going to have major problems with this particular Act, not -- I assure you -- that I am assured and reassured by the member opposite that just spoke.

And so what I took the liberty of doing is, as we do with all Bills, Mr. Speaker, is send out copies of the legislation to all third parties that are going to be affected, potentially affected by potential legislation, and then ask for response, any concerns, any ideas and so on. And I certainly did get a response from the Saskatchewan Research Council, Mr. Speaker, from Jim Hutch, Ron McGrath, and Jerome and so on. And they were very, very helpful in indicating some of the reasons why this Act or this amendment would be something that they would look forward to.

Mr. Speaker, we certainly as an opposition do not intend to stand in the way of a donation of \$500,000 simply by recognizing the fact that the SRC (Saskatchewan Research Council) is going to be an agent of the Crown, if that stands in the way. And the way we understand it, for potential donors it does mean a substantial difference in income tax

recognition of donations such as this.

And albeit that the Department of Justice -- and we'll get into this as we grill the minister -- albeit that the Department of Justice has indicated that as far as they are concerned, the SRC is already . . . I see that I've got the minister's attention here; nothing to worry about here. The Department of Justice is indicating that the SRC, in their opinion, is already de facto a member or an agent of the Crown as such. And what this Act will do is simply make it in fact.

I did have some concerns, I must admit. Any time that the members opposite want to make something an agent of the Crown, there are a lot of red flags that go up because the ideological and philosophical bent of members opposite certainly causes that to become a concern potentially.

But, Mr. Speaker, we're going to facilitate matters this afternoon. And not only will I not ask for an adjournment of debate, I'm just simply going to recommend that this Bill go to Committee of the Whole.

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

COMMITTEE OF FINANCE

General Revenue Fund Agriculture and Food Vote 1

Item 1

Mr. Neudorf: -- Yes, Mr. Chairman. This is the continuing questions of the Minister of Agriculture, and I hope as the days go by that we will have productive meetings in the estimates of Agriculture.

This is my first opportunity to participate directly in this process, Mr. Chairman, and Mr. Minister, and I'm looking forward to some productive times. I'm going to start off by doing something that's a little bit unusual, and I'll explain to you what I propose to do.

One of the best things that I think that we as an opposition have come up with in terms of giving the people of this province access to their legislature and legislators is the process whereby citizens with any kind of concern whatsoever can ask questions directly of the Premier. And you've witnessed some of those questions in the House here, Mr. Minister, when we get up and ask on behalf of Mr. So-and-so from there-and-there, Mr. Premier, I want to know . . .

(1530)

Unfortunately for the people out there, there are so many of them that are writing in that this legislature is not going to be sitting long enough to be able to ask nearly all of those questions. So as second best, I guess . . . and I'm not saying that you're second class, but the Premier is the Premier. And we have to give him due, and I'm sure you understand the respect due to that position.

But what I've done now is taken some of those questions that were addressed to the Premier that deal with agriculture and ask you those questions directly. I'm not proposing to get into a debate with you today. What I'm going to do is give you the name of the individual. I'm going to read his question, and then I trust that you will take some time to contemplate and consult with your officials so that you will be able to give a full and adequate answer to that question. And upon your resuming your seat, I will ask the next question. What we're going to be doing, I have half a dozen for you today, and then I'll turn it over to my colleague.

So with that slight introduction, Mr. Minister, these are unabridged. These are the way the questioners have asked them, and you can take the answer from there.

And the first question that I want to pose to you comes from a Gerald Smith from Chaplin. And this is his question, as he has asked it: why is the increase in durum price not being paid to claimants in the crop insurance market price option program.

Hon. Mr. Cunningham: -- Well thank you for that question. I would recommend that in question period and in estimates you maybe should have all the questions sent in because they're very good questions that you have sent in.

Why is the increase in market price in durum not passed on? As the member opposite knows, durum is a Wheat Board commodity. The market price option works such that they insure their crop for the market price and we aren't able to determine the final market price until we know what that is, which will be probably December of this year. We'll know what the final durum price is and at that time their payments will be adjusted to reflect that final price. We also have the authority to do an interim payment and we are considering that at this time.

Mr. Neudorf: -- Thank you, Mr. Minister. The next question comes from Lyle Sletten from Swift Current and he asks: back in 1991, I received an overpayment on GRIP and in 1992 I was requested to repay an overpayment, which I did. I know there are some that have not paid this overpayment and I'm wondering how the government is going to collect it, seeing that the government is going to be out of GRIP this year. If they are not going to be able to collect it back, why should I not be reimbursed for my overpayment?

Hon. Mr. Cunningham: -- Yes, Mr. Chairman. Under the 1991 program there was approximately \$32 million in overpayments that were made. We've collected all of that except about \$2 million which is still outstanding, and we're using various collection actions and we intend to collect that money if it's at all possible.

Mr. Neudorf: -- Thank you, Mr. Speaker. The next question comes from Ken Williams from Imperial.

What are you going to do with the GRIP program when it expires this year for Saskatchewan farmers? Will you replace it? With what? Time is running out. We need to know now.

Hon. Mr. Cunningham: -- Again, Mr. Chairman, that's a very good question. The Saskatchewan government, going back to before I was minister, appointed a 32-member Farm Support Review Committee to look at developing a program that's suitable for Saskatchewan farmers. These are ordinary farm folk. We had 20 members at large on there and 12 from organizations in order to give it the balance of actual producing farmers.

They have recommended to me giving me three options that they think are acceptable. We are negotiating that with the federal government. Mr. Goodale is on record as saying that he thinks it's very possible that we can have a new support program in place by the end of '94 for the '95 season. We're targeting that.

We're working very hard with the federal government and farm groups to develop that program, and we hope to be successful in that and have something to replace GRIP.

I think all the provinces in this country and the federal government agree that we need a new safety net, one that will not destruct markets, one that will be acceptable under the trade agreements that we have signed. And we are working as quickly as we can to develop them.

Mr. Neudorf: -- The fourth question I have this afternoon, Mr. Minister, comes from Patrick Santo from Whitewood. Why, when you claim to be helping agriculture, do you continue to tax our inputs more and more, such as electricity, natural gas, and especially gasoline. Why can I buy gasoline 4 cents a litre cheaper at the pumps than I can in bulk? Don't tell me it's because of gas war, because this has been the situation for two years.

Hon. Mr. Cunningham: -- Well, Mr. Chairman, again a very good question. We all know that farmers are struggling out there and inputs are high, particularly compared to prices of the products that they sell. I would point out that this government does spend something like 10 or 11 per cent of our budget on agriculture. For farm fuel, the farm fuel rebates and the purple diesel cost us in the neighbourhood of \$120 million this year, but also point out that in things like power, telephone, natural gas, all of those are somewhat cost subsidized, that rural customers and farmers in particular, do not pay the full cost of those because they are Crown corporations and they are able to cross-subsidize with our large customers. That is becoming more difficult.

Things like SaskTel where we no longer can have the revenue of long-distance crossing through the province which we used to use to subsidize the monthly telephone rates of our consumers. We're being deregulated by the federal government which means that we have to compete in an open market-place, and it becomes more and more difficult to provide those subsidies to rural people. But certainly we do the best that we can to try to relieve the input costs of farmers.

Mr. Neudorf: -- A slightly longer question comes from Earl

Tysdal, T-y-s-d-a-l, of Briercrest. And he asks: farming has been in trouble since the early '80s. Since you have come to power, you have cut money from farm programs, further adding to our predicament. On top of this, you have raised wages for teachers and lowered the portion you give to school units. This will undoubtedly add to our already ballooning education tax on farm land. We have to pay this whether we get a crop or not and you know what you've done to our crop insurance. Why can't you take education tax completely off farm land and put it on income tax? This is the only fair tax there is. If people make money, they have to pay the tax.

Will you comment on those ideas, Mr. Minister?

Hon. Mr. Cunningham: -- I certainly would be pleased to comment on those ideas for Earl. Yes, taxes are high. There is certainly arguments that would suggest that there may be fairer ways to do taxes. We need an overall tax reform; there's no argument with that. The question is where do you put it? We now have the highest income tax rate I think in . . . or one of the higher income tax rates in the country and we don't see a lot of room to tax there.

I would agree with Earl that we have made some cuts in agriculture. I would submit, Mr. Chairman, that our cuts in agriculture have not been nearly as deep as they have been in things like health care and education. And we made some very, very tough decision in this government, cutting things like drug plans and health care and education that were not very palatable to us, but we had to do because we were forced into that situation.

And the reason that we haven't made huge cuts in agriculture -- as many governments do when they get in financial difficulty, they start with agriculture -- the reason we didn't do that in Saskatchewan is because we realize that the way to the future is economic development, and that's how we're going to ultimately get out of the debt that we're in, is through creation of jobs and through economic development and creation of wealth. And agriculture has always been the main and the major economic engine of this province, and we certainly expect that it will be again in the future, and that's why we do our very best to maintain the agricultural industry.

Mr. Neudorf: -- The next question, Mr. Minister, and the last one in this series comes from G. E. Elliott from Rocanville, and he asks: what is your opinion on the suggestion that grain handlers be designated an essential service so as to avoid costly strikes? Also, why do you not make it clear when you talk about costs, such as demurrage charges, who pays the bill?

Hon. Mr. Cunningham: -- Mr. Chairman, I think there

is no doubt who pays the bill when there is demurrage charges and hold-ups in grain shipment, whether they're caused by weather-related items or by labour disputes. We certainly realize that we want to see the grain moving as smoothly as possible. And although we don't control the port workers in Vancouver, we certainly want whatever system is out there to work, to move the grain through as best we can because that's very important to Saskatchewan farmers.

Mr. Boyd: -- Thank you, Mr. Chairman. Mr. Minister, welcome to your officials again this afternoon.

I wanted to again discuss the crop insurance conference that was held on this past weekend, Mr. Minister. At that time, you mentioned that the provincial government cost-shares the administrative costs with the federal government for conferences of that sort. Do you have to get any kind of approval from the federal government to put on those kinds of functions?

Hon. Mr. Cunningham: -- No, we do not. The total administration budget of Crop Insurance is split 50/50 between the provincial government and the federal government, and they do not okay day-to-day goings on of the corporation.

Mr. Boyd: -- How many . . . as I understand it there is . . . people came from all over the province to attend the meeting which started, I understand it . . . registration was from 8 to 10 in the morning. So that presumably would mean that people travelling from some distance would have come in the night before, and I'm wondering whether or not the Crop Insurance Corporation picked up the cost of their rooms for the Thursday night prior to the meeting -- how many there were and the costs associated.

Hon. Mr. Cunningham: -- No, we did not pick up the cost of the rooms for Thursday night.

Mr. Boyd: -- So there was no one, Mr. Minister, came in on the Thursday that you would have paid any additional expenses for them.

Hon. Mr. Cunningham: -- There were a few . . . my officials tell me the delegates who had their . . . not the delegates. None of the delegates had their rooms paid for Thursday night. There were some organizers who had their rooms paid for Thursday night. And there were people . . . as you know, we're doing public meetings, so we had people on the road doing those shows who were on the road all week and would have been somewhere Thursday night and had their room paid for.

Mr. Boyd: -- So any of the Crop Insurance employees that came in on the Thursday prior to the conference, they would have been responsible for their own cost of room for the Thursday night.

Hon. Mr. Cunningham: -- Yes, if they were delegates. Other than a few organizers who were in organizing the conference who would have had their rooms paid for, the delegates coming in, if they came in Thursday night they picked up their room on their own expense.

Mr. Boyd: -- Thank you, Mr. Minister. Was there any kind of .

. . . was the verbatims kept of the program, or tapes of it, or any of that nature, kept of the conference, Mr. Minister? And if there was, are those tapes available?

(1545)

Hon. Mr. Cunningham: -- No, the conference was not taped.

Mr. Boyd: -- Mr. Minister, do you not think it might have been a good idea to, in light of, you know, you're putting on a session where there's a great deal apparently of work that went on there, and it seems only prudent that you might want to keep them for future reference to refer back to or to pass judgement on the quality of the presentation and decide what to do next, if you're going to have one in the future.

Hon. Mr. Cunningham: -- Well it may very well have been a good idea. We didn't choose to do that. I guess if we had, you'd probably be in here saying we're wasting money making movies. But none the less, no tapes were kept.

Mr. Boyd: -- We're in here, Mr. Minister, saying that you wasted \$70,000 on the whole thing, not just on making a few tapes up which indeed apparently you never even did.

Mr. Minister, further to that, you told us the other day that there were eight hours of work sessions. Well looking at the agenda, Mr. Minister, the most I can come up with is 5 hours and 10 minutes of actual work sessions, if you include things like the opening remarks from the president of Crop Insurance and the keynote speaker's address which was some 1 hour and 30 minutes long. If you include those as work sessions, Mr. Minister, you can come up with 5 hours and 10 minutes, not 8 hours, as you have suggested. And I'm wondering where the discrepancy is.

Hon. Mr. Cunningham: -- Did you in your calculations count the brilliant remarks by the Minister of Agriculture who addressed this?

Mr. Boyd: -- Thank you, Mr. Chairman, Mr. Minister. According to the agenda, the brilliant remarks from the Minister of Agriculture were not on the agenda nor included here. And I'm wondering where those . . . oh, it's down at the special guest, the minister.

How long did your remarks take and what context were they . . . Did they add the extra 2 hours and 50 minutes to come up with the 8 hours, as you suggested?

Hon. Mr. Cunningham: -- I didn't time myself there to be sure that I was earning my keep. I think I left there somewhere after 9 o'clock, and there was a speaker on again after that, as I pointed out the other day.

I don't know if the member's looked and counted the

hours that were on Saturday because there were some hours there on Saturday. I'm not sure where you're getting the five hours from and whether you consider the remarks by the minister as responsible to his employees is not important or that the remarks of the president who is responsible is not important, but that all was part of the agenda.

Mr. Boyd: -- Well maybe, Mr. Minister, we can go through it with you then, and we'll see if we can come up with eight hours of sessions. The very first session which, if you could call it a session -- I'm not sure that welcoming and opening remarks from Terry Tangjerd, the CEO for Crop Insurance, would be considered a work session, welcoming them -- but that was at 10 o'clock to 10:45 -- 45 minutes.

The next session was from 10:45 to 12 o'clock, which is 75 minutes. Is that not correct, Mr. Minister? After that there was . . . I wonder if you wanted to just go through it step by step like that and see if we can come up with eight hours. Because I don't think you can, Mr. Minister, come up with eight hours of sessions out of that time.

Hon. Mr. Cunningham: -- Mr. Chairman, the member opposite has the agenda. If you really want to have it in the record, I can read out the agenda and you can do your own calculations of the numbers. From 8 to 10 was registration; 10 to 10:45, welcome and opening remarks by Terry Tangjerd, who is the CEO; 10:45 to 12 was presentation on town hall meetings. Then it was lunch. From 1:15 to 2:45 was a keynote speaker, Gary Gregor, who is a renowned speaker. We actually took a coffee break. From 3:15 to 5 o'clock concurrent session one. And from 6 to 7 was the cocktail hour, and banquet after that. And from 7 o'clock, I spoke to them. After me, Rick Worman, another speaker, motivational speaker, spoke to the group.

Saturday morning starting at 8:30, concurrent sessions. And from 10:45 to 12:15, panel discussions -- the future of agriculture, recognition, equality, and team. And from 12:45 to 2:45, lunch and awards for long-time employees. From 2:45 to 3:15 there was closing remarks.

Mr. Boyd: -- Thank you, Mr. Minister. If we go through that then, my calculation comes up with five hours and ten minutes of work sessions, not eight hours, as you have suggested.

Hon. Mr. Cunningham: -- Well I don't know, my calculation gives me nine and a half hours. I don't know what you're taking out of there as not being part of the agenda.

Mr. Boyd: -- Well do you consider registration as part of the agenda, two hours there, from 8 o'clock to 10 o'clock, where people come in, sign their name, and say, I'm here. Do you consider that to be part of the program?

Hon. Mr. Cunningham: -- Well it would be very difficult to have a program if you didn't have the registration to know who's there.

Mr. Boyd: -- So this is considered, the two-hour time period between 8 o'clock, 8 a.m. in the morning and 10 a.m. in the morning, that's considered part of the work session? You arrive at the conference, you walk in and say, I'm here, and they say, good, way to be, you got here, thanks for coming.

You consider that to be part of a work session, Mr. Minister?

Hon. Mr. Cunningham: -- That's not in my calculation to get nine and a half hours.

Mr. Boyd: -- Well let's go through it then, Mr. Minister. We've concluded that that isn't part of the session then, so that takes out that. From 10 a.m. to 10:45, 45 minutes there. Now do you consider that to be part of the work session, Mr. Minister, the entire time frame of that?

Hon. Mr. Cunningham: -- Well obviously remarks by the CEO would be part of work time. That's one of the reasons that we bring people in, is so the CEO gets to talk to them.

Mr. Boyd: -- So we got 45 minutes so far, Mr. Minister. Then from 10:45 to 12 o'clock, which is a total of -- 10:45, 11:45, an hour, and another 15 minutes -- 75 minutes, presentations on town hall meetings. Charabin, I understand he's an employee with Saskatchewan Crop Insurance. What were the remarks that he made, Mr. Minister?

Hon. Mr. Cunningham: -- Mr. Chairman, as I said earlier, we didn't make tapes of the conference. I wasn't in attendance at that time. I don't know that I can quote verbatim the comments from some speaker at the conference.

Mr. Boyd: -- Thank you, Mr. Minister. And then after that at 1:15 to 2:45 for a total of 90 minutes -- yes that would be correct -- there's a keynote speaker, Gary Gregor, and he spoke on motivation. And does that . . . would you consider part of the work session, Mr. Minister, a motivational speech I presume on . . . generally I would think on topics unrelated to crop insurance?

Hon. Mr. Cunningham: -- Well that's certainly not true. Motivational speakers are a part of what we were trying to do to build a team and motivate people to do a good job, certainly part of the agenda and part of the plan of the conference.

Mr. Boyd: -- So his topic of motivation, you in your mind and your officials' minds, would be part of the conference, would be part of what you would consider a proper thing or . . . Like I wonder if you could elaborate a little bit more on that. What did he talk about besides motivation? I mean did he say we got to get out there and work hard and sell and sell and sell to these farmers out there, and every person that walks through the door, you guys have got to sell him a policy and get their name down to buy as much coverage as possible, or how did that work, Mr. Minister?

Hon. Mr. Cunningham: -- Mr. Chairman, crop insurance is a business. It sells insurance like any other business. It has to treat its customers with courtesy and with respect and to provide them information just as anybody else. The speaker, Gary Gregor, makes his living going to companies and talking to the employees in that manner. That's how he makes his living. And Crop Insurance has to deliver a service the same as any other private company or government department or anybody else does.

Mr. Boyd: -- Well thank you, Mr. Minister. Well we could go through this piece by piece all the way through it, Mr. Minister, but I think we'll find at the end of the day that there was very little work done in these sessions that would be considered by most farmers of Saskatchewan to be productive time that was spent actually discussing the issues at hand for crop insurance, discussing the things that they feel would be the most pertinent issues on their minds these days, things like the changes to your program, things like where their revenue payments are, things like where their coverage is, what their premiums are these days.

That would be what I would consider and I think the farmers of Saskatchewan would feel would be productive time, Mr. Minister. But I don't think that they believe that having a motivational speaker come in and give them some rah rah speech about how to sell to farmers, and how to eke out the best dollar for the Saskatchewan Crop Insurance Corporation, would be considered in their minds as a useful use of taxpayers' dollars, Mr. Minister.

And I wonder if you'd just care to comment. Do you think, Mr. Minister, that the farmers would support having a paid motivational speaker come in and talk to Saskatchewan Crop Insurance employees and try and buoy them up for the spring rush of farmers coming in the door and I guess instructing them on how to sell policies?

Hon. Mr. Cunningham: -- Well I certainly think that if a particular farmer has good service from his crop insurance and doesn't have an error that costs him thousands of dollars, he will consider it well worthwhile.

I think the members opposite obviously don't believe in staff development and don't believe in a good professional civil service. And I think that may well be one of the reasons why we have to do a lot of that right now.

Mr. Boyd: -- Thank you, Mr. Minister. I think that the farmers of Saskatchewan indeed want a quality Saskatchewan Crop Insurance employee group. There's no question about that, Mr. Minister. They don't want mistakes on their policies. They don't want any of the things that can happen from time to time, Mr. Minister. They indeed want that. But I'm just wondering whether or not spending \$70,000 of taxpayers' money indeed accomplished that goal that you set out to accomplish, Mr. Minister.

I think the farmers of Saskatchewan don't believe that that goal has been accomplished by blowing \$70,000 on a weekend of fun and games. And that's fine. I mean, I'm not against these people having a good time, Mr. Minister, if they're doing it on their dollar. No problem with it whatsoever. But if they're

only paying \$20 to come in for sessions, and you're putting them up in the best hotels in Regina and paying practically the full shot for this thing, Mr. Minister, I don't think that they would agree with you.

I think they want a professional service. They don't want to be running some kind of a cabarets for people to, what you consider staff development, Mr. Minister. I don't think the farmers of Saskatchewan agree with you on this, and I just want to give you another opportunity to comment.

Hon. Mr. Cunningham: -- Well, Mr. Chairman, I just came back from SARM where there are 1,200 or 1,500, or whatever number of farmers there are there, in there on taxpayers' expense, having their motel rooms paid for, and spending three days in Regina to talk about how they manage roads in this province. I think that it's probably a well worthwhile effort. They do it twice a year.

And I therefore think that farmers understand that when you have a province as big as Saskatchewan and a corporation as big as Sask Crop Insurance, that it's well worth the effort to occasionally bring them in to get them to work together in a coordinated fashion to discuss common problems. I'm sure the SARM will also have a banquet tonight, but I don't think that detracts from the fact that they do good work during the day.

Mr. Boyd: -- Thank you, Mr. Minister. Have you been receiving any calls from producers around Saskatchewan concerned about this, Mr. Minister? And how many, if you have?

Hon. Mr. Cunningham: -- We have I think 10 or 12 calls that we've had, the officials tell me, out at the public workshops that we're having out in Saskatchewan. We've had two or three people raise concern about the conference. I think most of those are of course by the misinformation let out by the member opposite. When people go on the media and say that this is a weekend of fun and frolic and it's casinos and they're not doing any work, obviously farmers will be upset. When they understand that it's staff training, staff development, and something that all other private companies do and are involved in and that it's to provide better service for Crop Insurance, then the concerns certainly become much less.

Mr. Boyd: -- Thank you, Mr. Minister. Did you have conferences like this before? Have you had them last year, or anything like that? What precipitated the need at this time for it?

(1600)

Hon. Mr. Cunningham: -- Well you can ask some of your colleagues. I think the last conference of this nature was in '86 when you people were in power. We've had conferences. I've been out to Melville where we've had most of the staff in from around the province and doing workshops and I've addressed them. We've had the agents all in at a time to place . . . agents have had conferences. So we haven't had them all in one place.

That, I think, was again as a result of pressure from me to say to the Crop Insurance that farmers are telling me that this corporation is not working together as well as it should; that you don't always get consistent service between the different arms of the corporation, and we need to pull this thing together a little better. And as a result of that, as a result of workshops in regions where staff . . . they developed the idea that a conference having all people in one place would be well worthwhile.

Mr. Boyd: -- Thank you, Mr. Minister. The other day when we were talking about the estimates of Crop Insurance, you wouldn't provide, and I wonder if you might now -- or you didn't provide at that time, the cost of the 476 employees for the Friday, what their salaries would total up for one day of work.

Hon. Mr. Cunningham: -- Mr. Chairman, again there's no line item or no cost for that. The people who are on salary are on salary and get their monthly cheque as they always do. So there is no number for that.

Mr. Boyd: -- Thank you, Mr. Chairman. Mr. Minister, I wonder if you would just humour us then and provide us what the cost of 476 employees of Crop Insurance would be for one day.

Hon. Mr. Cunningham: -- Mr. Chairman, we could get a payroll and send over to the member opposite. As I say though, the 476, many of those were agents who were not on payroll. But we could give you their monthly payroll and you can divide it out. We can even do the calculation for you, if we have those numbers.

Mr. Boyd: -- Well thank you, Mr. Minister. We would like to see that figure, and we would like your officials to break it out for us -- what the cost of the 476 employees were. If you say that it was a session, a work session and all of that sort of stuff, I guess the farmers of Saskatchewan will judge that on its merit, Mr. Minister. But I think they'd like to know what the employees for that day, what it would cost for those employees.

Hon. Mr. Cunningham: -- We don't have that breakdown of daily salaries with us. We can put together that, if the member insists on knowing what our daily payroll is, but that's difficult. We've got some large numbers. But if they include agents who were there free of time, on their own and so on, it's difficult to sort out.

Mr. Boyd: -- Well, Mr. Minister, would you give us the assurance that you would provide us with that information before we conclude Saskatchewan Crop Insurance estimates?

Hon. Mr. Cunningham: -- We will endeavour our best to get whatever numbers the member has asked for.

Mr. Boyd: -- Thank you, Mr. Minister. How many of those 476 employees that were there on that day were working on an earned day off, an EDO, and will they be given another EDO day for that time period?

Hon. Mr. Cunningham: -- Yes, they will switch the EDOs for an EDO at some time in the future.

Mr. Boyd: -- Do you know what the number of employees were that had EDOs that day?

Hon. Mr. Cunningham: -- Again we don't have that number here; we can probably get it for you. It would be in the neighbourhood of a third of the employees who would be having an EDO -- of the full-time staff -- and certainly not a third of 476 which include agents and adjusters and a lot of other people. But of the permanent staff who get EDOs in their contracts, it would be somewhere in the neighbourhood of a third of those.

Mr. Boyd: -- Thank you, Mr. Minister. The more we dig into this, the more it seems to me, Mr. Minister, that there's something wrong with a department and a minister that would approve this sort of expenditure. We see that there is some \$70,000 spent for five hours and ten minutes for 476 people to take part in a conference that has very, very questionable content, Mr. Minister, extremely questionable content; about whether a motivational speaker is an acceptable expenditure of time and dollars for people to take part in a session.

There's also, in the concurrent session no. 1, workplace humour. I think people have to wonder whether or not that would be considered a justifiable expense in these times, Mr. Minister. And I'm wondering, one other session that seems a little odd here, is -- well there's several; maybe there's more than one, Mr. Minister -- career planning. What is career planning? What was the session involving that about?

Hon. Mr. Cunningham: -- Mr. Chairman, it's interesting that the member alleges that there are only five hours of session and then says he's going to go through it and prove it, and he gets halfway through and quits. Because leaving out lunches, leaving out registration, leaving out a whole lot of things, leaving out banquets and all the rest of it, my calculation still comes up to eight and a quarter hours. So it's interesting that the member starts to go through this thing with an allegation and then quits halfway through and then says he proved it.

As to the career planning, I think that's a fairly self-explanatory project. Career planning is career planning.

Mr. Boyd: -- I was wondering if you could tell us what the content of it was, Mr. Minister? What do you mean by career planning? Were these market agents planning their careers? Were they discussing how to deal with their pension, or how to deal with RRSPs (registered retirement savings plan), or what were you talking about when you say career planning?

Hon. Mr. Cunningham: -- Well again, Mr. Chairman, I don't have the details. We don't have it on tape to show the member. But obviously people move up in corporations; that's how you get good corporations. You train staff and you move them up; and people who have ability and talent, you move them up to a higher position. And that's how you build a strong team, particularly in rural Saskatchewan where often we're not competitive in the market-place to bring in outside talent. Often times our best source of management and so on is from within. And if we take some time to take a couple of hours to teach people how to plan a career and how to prepare to move up in a corporation, I think that seems to be a logical and sensible thing for any corporation to do.

Mr. Boyd: -- Thank you, Mr. Minister. What was the session about stress about? What did they talk about when they were discussing stress?

Hon. Mr. Cunningham: -- Well again I think it should be fairly obvious. We spend a fair bit of time and money on stress for farmers. We have a stress line that operates 24 hours a day. Our people deal with farmers in the very difficult situations that we have out there. The stress that farmers and our customers feel is a problem as well for our workers. We sell crop insurance in a very restricted time period. We're always on deadlines. And how to manage stress in the workplace is something that I think any business or any government operation should be concerned about and deal with because if people are stressed out they're obviously not productive workers.

And I think if the member opposite were to go and work in a Crop Insurance office for a week or two in the selling season, he would soon understand what stress is all about.

Mr. Boyd: -- Thank you, Mr. Minister. I wonder if you could provide us with the details of the court challenge that's going on with regard to the GRIP program. Is the court challenge still current or is that . . . What is the status of that?

Hon. Mr. Cunningham: -- There are two court challenges which are still in progress: one you would probably know about from an old colleague of yours, Grant Schmidt is leading; another one from northern Saskatchewan. Right now those two are in the process of being amalgamated. Crop Insurance has asked that if they're going to have a court case about the same thing that they combine and have one court case to make it easier to have this expedited and not to cost more taxpayers' money. So right now the process is that those two groups are talking to each other to determine how to bring forward a court case if they so desire.

Mr. Boyd: -- Thank you, Mr. Minister. Has your department and your officials or the Department of Justice determined what the potential liability that you would face if the two court cases were successful?

Hon. Mr. Cunningham: -- Obviously I should not be commenting on things that are before the court. I think it would be very difficult. First there would have to be a ruling that we were somehow in breach of the law and that there were damages, and how those damages would be assessed would be a very, very complicated and difficult issue. And I would not want to hazard a guess, nor do I think I should be in view of the fact that this is before the courts.

Mr. Boyd: -- Thank you, Mr. Minister. It seems like to me that they were talking about potential liability of some hundreds of millions of dollars as likely the numbers, the kind of dollar figures that we're dealing with, Mr. Minister. Would you care to comment on that? Are we looking at something in the magnitude of a couple of hundred million dollars?

Hon. Mr. Cunningham: -- Well again, Mr. Chairman, I think it's inappropriate for me to comment on something that's before the courts.

Mr. Boyd: -- Thank you, Mr. Minister. The other day you also alluded to the fact that Saskatchewan farmers have received . . . I just forget the number now, but maybe you could provide it. For every dollar that they've paid in premiums, how many dollars under the GRIP program have they received in benefits?

Hon. Mr. Cunningham: -- \$2.77.

Mr. Boyd: -- What would that number be in Manitoba and Alberta? Do you have comparison figures for the people of Saskatchewan, the farmers of Saskatchewan, so they can judge what the Alberta and the Manitoba figures are relative to Saskatchewan?

(1615)

Hon. Mr. Cunningham: -- Our calculation gives us that Alberta people would have gotten . . . Alberta producers would have gotten \$3.72 for every dollar premium; Saskatchewan would have got \$2.73; and Manitoba, \$4.37. That's 3.72, Alberta; 2.73, Saskatchewan; 4.37, Manitoba. Those are based on . . . that's the '91 crop, which we know, the '92 crop, and an estimate for '93, which means those are based on those estimates. For '93 it's an estimate.

Mr. Boyd: -- Thank you, Mr. Minister. I wonder if you would exclude '93 for me, please. I'm not interested in that one. I'm interested in '91-92.

Hon. Mr. Cunningham: -- If we went back using the crop year of '91-92 and the crop year of '92-93, which is the two years that we know, we would have Alberta at 4.65, Saskatchewan at 3.41, and Manitoba at 4.02.

Some other numbers that you may be interested in are the cost that taxpayers have put into that. You just might be interested to know that GRIP cost Saskatchewan taxpayers in '91-92, \$267.74 per capita; and in '92-93, 239. Manitoba, it cost their taxpayers \$79 per capita, \$79.72; and in '92-93, \$76.99. Alberta, it cost their taxpayers \$56.90; and '92-93 cost \$61. You go down to places like Ontario, it cost their taxpayers \$7.11 and \$9.63 respectively. So you can see that while

Saskatchewan producers didn't do quite as well on the return per dollar put in, Saskatchewan taxpayers certainly did much worse than taxpayers in other provinces.

Mr. Boyd: -- Thank you, Mr. Minister, and it has no bearing whatsoever that we have the most farm land of the three provinces. When you consider that and the lowest population, naturally the figures look pretty good on a per capita basis, Mr. Minister. The fact of the matter is, is that the Saskatchewan farmer is out thousands and thousands and thousands of dollars on average as a result of the program changes that you have made.

Is there some kind of calculation, Mr. Minister, as to what the average farmer in Saskatchewan has received under the program '91-92, '92-93 -- the average farmer in Saskatchewan, total dollars -- has received relative to other provinces?

Hon. Mr. Cunningham: -- I don't know what the member's asking for. We can take the gross pay-outs by the number of farmers in each province, would give you some idea. That would include some very small farms, some very large farms or we could . . .

An Hon. Member: -- Give us that.

Hon. Mr. Cunningham: -- Okay, we'll do that calculation if that's what you'd like.

Mr. Boyd: -- Thank you, Mr. Minister. I'm wondering if you could tell us on average what the changes in the crop insurance program as planned for this year -- the spot loss hail provision -- what that cost would be average, premium-wise?

Hon. Mr. Cunningham: -- That cost I gave here last time we were in estimates. The cost will be on average about 3.5 per cent . . . no, it's 1.5 to 3.5; an average of 2 per cent is what the premium will be on spot loss hail. Farmers pay half that premium so on average they're paying . . . they will pay 1 per cent of their coverage to have spot loss hail. Again, that varies from township to township on the hail rates, as the member well knows, so it's not accurate for each individual farm, but the range is 1.5 to 3.5 or .5 to 1, as a half.

Mr. Boyd: -- I'll conclude my remarks and turn it over to one of my colleagues in a few moments here, but just suffice it to say that I'm extremely displeased on behalf of Saskatchewan farmers with the conference that you held this weekend and feel that it was a very wasteful use of taxpayers' dollars. And I would submit to you, sir, that the only reason it was done was because you had 70 or \$80,000 left over in your budget for the administrative portion of Crop Insurance and you thought to yourself, well we might as well have a little shebang here and wrap 'er up good for the year and have everyone congratulate each other and pat each other on the back and tell each other what a wonderful job we've done in the past year, and hopefully we can do a good job in the future years, Mr. Minister.

And I think that the people that were there likely would agree with me that there wasn't any degree of work sessions that you have suggested that there is, Mr. Minister. And I submit to you on behalf of farmers of Saskatchewan, that it is a total waste of

time, that that conference could have been held in regional conferences around this province in a one-day session, and therefore would not have precipitated the cost that you blew on a conference of this nature, Mr. Minister. And I think the farmers of Saskatchewan and the taxpayers of Saskatchewan are outraged and should be outraged at an expenditure of that magnitude, Mr. Minister.

Hon. Mr. Cunningham: -- Well, Mr. Chairman, it's interesting that the member opposite has done the calculation of what it would cost to have done this in regional and has determined that it would have cost very little. I don't know whether it could have been done cheaply. It probably could have been done more cheaply regionally, but that's certainly questionable.

As to whether or not we had money left over, I think my colleagues will well know that there was special warrants for Crop Insurance as we ran something like 18 or \$19 million over-budget -- as a result, I might add, of writing off deficits in the feed insurance which were there as a result of operations under your term in government.

Mr. Neudorf: -- Thank you, Mr. Chairman. Mr. Minister, my information is that there was \$80,000 left over in your account, and this was simply a means of making sure that next year your budget would not be lost and out \$80,000. It's a simple matter of use it or lose it, and you chose not to lose it. And therefore we have this kind of a situation.

But I guess it begs a further question, as you have just said that you were in a deficit position in Crop Insurance? Is this what I heard you say, that you needed special warrants to cover the deficit situation that you were in?

But why, if you already had to go to special warrants, would you now be choosing a mechanism where you had a conference that was going to cost you more money than if it was going to be held in regional meetings instead of one big conference for a big weekend? There seems to be a loss of rationality there. Why would you do that if you were already in that deficit position?

I could not help commenting on that because I think you left yourself vulnerable in that particular situation.

Mr. Minister, I want to pick up on a slightly different topic, and I won't be asking you questions that citizens have sent in in this next series of questions. I

just want to make a general comment, first of all, and that is this, that you are holding, in my opinion, one of the most important portfolios that you can have as a government. We know the premiership is important; we know the Minister of Finance is important.

But certainly as their colleague, you have been given the position of Minister of Agriculture in the province of Saskatchewan where it is well known in Canada that we hold virtually half of the good farm land in all of Canada. So as goes the agriculture in our province, goes our economy essentially. And I think you recognize that significance and the importance.

I always say that quality agriculture is job 1. In spite of our efforts at diversification, in spite of your efforts at diversification, we're still, I'm sure most people would say, too overly dependent on agriculture. And so the secondary industries that are a result of that diversification, the tertiary industries that can develop as a result are very, very important to the development of the economy of Saskatchewan as a whole, and certainly, in particular, to agriculture.

And as your position . . . in your position as Minister of Agriculture, you have a hectic schedule, a busy time, and you're always running from one meeting to another. And if you are like I was, as minister of Social Services, you're usually five minutes late for every meeting. And you might even be paying more than the normal person in Saskatchewan for your driver's licence by this time. I'm not quite sure. But those are some of the risks that we run in this business.

But I wonder if you could explain to me that process, or the policy I suppose, that you have adopted in your busy role as Minister of Agriculture in the province of Saskatchewan in terms of assistance, in terms of help, in terms of turning to colleagues and so on to help you fulfil the demanding role that you have.

I suppose at the outset I would ask you if you could give for me and the people of Saskatchewan an outline, not of your departmental staff at this time -- we can perhaps get into that at some other time -- but I was thinking of your personal staff in your office, in the ministerial office. Just run it by me. How many folks have you got in there? What are their qualifications and the remuneration that they receive in their role of assisting you as the cabinet minister with responsibility to Agriculture and Food in the province of Saskatchewan?

The Chair: -- Why is the member on his feet?

Mr. Jess: -- Mr. Chairman, I ask for leave to introduce some important guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Jess: -- Thank you, Mr. Chairman. I would like to draw your attention to three guests in the Speaker's gallery. They're councillors from the RM of Meeting Lake who are in here to attend the SARM convention. Mel Funk, Andy Serhyenko, and Steve Puto. They're in here this afternoon to meet with the Minister of Justice, and I would like to ask you to join me in

welcoming them to the Assembly.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

General Revenue Fund Agriculture and Food Vote 1

Item 1

Hon. Mr. Cunningham: -- Mr. Chair, in my office I have a chief of staff, Mr. Don Delhomeau. His salary is \$4,221. I have an assistant, Andy Prebushewski, who is a farmer from Hafford. His salary is 3,454. Junior ministerial assistants, Tom Halpenny, who is a farmer from Kindersley, and his salary is 2,893. My senior secretary is Wendy Hollinger at 3,092; intermediate secretary, Elaine Maksymiw, at 2,785; and the junior secretary, Deanna McIntosh, at 2,141.

That as you may well know from the publicity surrounding it is the standard complement for a minister's office in this government.

(1630)

Mr. Neudorf: -- Thank you, Mr. Minister. Now could you explain to me your expectations and the duties of Don who is getting 4,221? And I assume that's per month.

Hon. Mr. Cunningham: -- Chief of staff is responsible for organizing the office. He is the main liaison between the office and the department. Often people think that people in the minister's office have the job of escorting a minister around and worrying about the minister's timetable and so on; they do much more than that. That is the only link between the people that were in this Assembly who develop policy and the people here who are the staff who carry out policy. And obviously, as you say, my schedule is very busy and I cannot do all of that.

Don will deal with casework that comes in . . . brought in from MLAs from either side of the House. They come in normally to Andy and Tom who are the more junior, and often Tom is involved in . . . or Don is involved as well in doing that sort of work where there's a problem. It's their job, when there's phone calls coming into the office and there's some recurrent problem, to alert me and the department that there may be something amiss and that there's policy or staff or whatever that needs correcting. He is the chief of staff of my office.

Mr. Neudorf: -- Okay, thank you, Mr. Minister. I think you mentioned Andy and Tom. And I noticed, with some significance I believe, that they are farmers, you mentioned. And I can see maybe some benefit in so far as these people having empathy with other farmers that phone in and a close relationship. I'm

assuming that's why they are there.

Could you describe for me their particular duties a little bit more specifically, please.

Hon. Mr. Cunningham: -- Their duties involve, as I said earlier, the liaison also with the department. And that we have assigned particular portions. Crop insurance would be more Andy's situation where there's crop insurance complaints coming in or crop insurance problems that he deals with. Tom deals with, more with ACS (Agricultural Credit Corporation of Saskatchewan). Although being the junior one, he's the one that answers the phone on the casework that comes in from . . . And then much of it comes in through people in this Assembly who bring it in.

They also have some duties in escorting me to SARM conventions. For example, this afternoon Tom was there to take notes of people who want to meet with me and set up a meeting the Premier promised I would do. And so he sets up that meeting and that sort of thing.

Mr. Neudorf: -- Yes, and I'm sure you're saying thanks a lot too to the Premier on that one. But anyway I know how that works.

Mr. Minister, I know that when I was elected back in 1986 I had the same august job as the chairman has now as one of my duties. And after becoming thoroughly familiar with the rules that I couldn't learn any more, I was taken out of that position and appointed as chairman of what we called the caucus committee on health. And as such I was a back-bencher and I ran literally all around the countryside in Saskatchewan because that was the time of the Murray Commission hearings all across the province, and George McLeod who was the minister of health at the time obviously could not keep up with everything. And just as you're saying it was very, very busy, so he took me as a back-bencher and said to me, go out there and . . . having been Mr. Chairman . . . as chairman as well I knew what I was not supposed to say there.

But I was asked then to go around and monitor the meetings, monitor the mood and so on; and I did that job and I enjoyed it very much. It was really a learning experience for me in terms of format, in terms of procedure, and also the possibility of meeting so many of the fine folks that we have out there in Saskatchewan.

And having said that, could you indicate to me whether you are taking advantage of some of your back-benchers; whether there are folks out there that go around and on behalf of the minister attend meetings and do these kinds of things? I know they're not doing that as legislative secretaries because according to the Premier you don't have any legislative secretaries. So could you give me a perspective of the assistant that you may be getting that way?

Hon. Mr. Cunningham: -- Well as they member knows and probably had in your organization, we have what we call an ag caucus and we have seven or eight members who attend meetings. And I meet with them on a fairly regular basis, usually weekly. And also have used many people, many not only from ag caucus, but we have I think something like 20

some farmers in the caucus so it's always of very great interest to them. They think the Minister of Agriculture is important. I don't want to say it's something as important as the Premier because . . . You can say that, but I can't.

Just to get back to the question at hand. We have used many members who, particularly people such as the member from Saskatoon, whatever, who is very familiar with supply management industries and so on and has attended banquets and functions and so on for me at Saskatoon when they're there. Others have attended different functions and have done very good work for us. I think, and you well know, the hassle of getting back-benchers around and often running over their expense allowances and so on.

One of the problems that we do have is rules with airplanes. We don't fly any back-benchers anywhere so that becomes a bit of dilemma sometimes trying to get them to meetings when I can't be there. But we want to try to not only be prudent but be perceived to be very financially responsible and that's one of the reasons that we don't fly back-benchers.

Mr. Neudorf: -- Thank you, Mr. Minister. I have in front of me the *Public Accounts* from the auditor of the province of Saskatchewan for the year 1992 and 1993 where we have the details of expenditures, of revenue and expenditures. And on page 40 of that document -- this is the *Public Accounts* -- on page 40, at the bottom of the page, we have under "Minister's Travel", and this is under the Department of Agriculture and Food, page 40, "Minister's Travel". And, Mr. Chairman, I'm quoting from the book here and that is, the Hon. Darrell Cunningham to the amount of \$14,723 apparently paid to you out of public coffers.

Could you confirm that that is the actual amount that you were paid for all kinds of travel in addition to your MLA's salary and in addition to your cabinet portfolio's salary?

Hon. Mr. Cunningham: -- We don't have the data here for that particular year. I would assume that that would be the number if you're reading it from the book.

Mr. Neudorf: -- Mr. Minister, following on, on page 40 of the *Public Accounts* document -- and I don't know where your officials would have this information, if not in this particular book that I have -- according to the auditor, Provincial Auditor, there was one Ron L. Harper who received \$1,274 in travel. Is this the MLA as we know him? And if so, could you indicate to me why he was paid \$1,274. Was it to attend a meeting? And if so, where was that meeting; what was the purpose of the meeting; when was the meeting; and pertinent details such as that.

Hon. Mr. Cunningham: -- I don't have the details of that here. We will certainly get those for you. I hesitate to quote from memory. He attended a meeting in Winnipeg; I believe it was a Canadian Federation of Agriculture meeting but I hesitate to . . . We will get the detailed information for you because I don't want to quote from memory. But he did attend a meeting out of province for me.

Mr. Neudorf: -- Well, Mr. Minister, I'm somewhat surprised to hear that you haven't got that information here because I already asked that question in written form, through notice of question, and your House Leader refused to answer that question that I had asked and converted it over to motions debatable, which means that essentially it's where the questions die, that's the place where questions go to die. And he refused to answer that.

Then subsequent to that, I asked you that very same question in question period, but you were out doing your thing and the House Leader answered and said that is . . . the estimates is the place to ask those questions. So I was taking him at his word and I just assumed that there was this correlation amongst ministers, that they would be able to . . . for this information to be transmitted to you so that you would be prepared to answer these types of questions.

So, Mr. Minister, am I to assume then that the next line item is Eric M.T. Upshall for \$259, that you have no pertinent information available to us this day as well?

Hon. Mr. Cunningham: -- That is correct, and you are absolutely correct. This is the correct place to be asking that question and we will certainly provide you that information, if not within a few minutes, certainly at the next time we're here or we will send it across to you -- whatever you choose.

Mr. Neudorf: -- Mr. Minister, will you commit to answering the next line item as well, which is Grant G. Whitmore for \$783. And that is all the information that I have here. I have nothing to go on in terms of why he would have been, I assume, reimbursed for whatever cause, for whatever reason.

And then there is also the Hon. Berny Wiens for the amount \$15,109. Now whether that is still a portion of his ministerial activities, I'm not sure, but I would be looking forward to your explanation as to that sum.

And then under travel, it's still under the main heading, travel, there is less reimbursement. And there seems to have been . . . under other there's \$1,231 . . . pardon me, \$1,231,971 and no breakdown, no indication as to what that is all about. And then there seems to have been some kind of reimbursement, money flowing back into this account of \$12,934.

Are there any of those amounts that you can give me some solid answers to.

Hon. Mr. Cunningham: -- We will have all of those answers here and give all of those in detail.

Mr. Neudorf: -- And when you say detail, you're going to be answering such questions as: was it a meeting; what was the purpose of this; when did it take place; where did it take place; was there travel involved -- and obviously there must have

been; what was the mode of travel; and at whose request did this individual do whatever they did to get that money? In other words, I would want a complete explanation, please.

Hon. Mr. Cunningham: -- Yes, and we will get that complete explanation rather than attempting to give it to you from the top of my head and not getting it correct.

Mr. Neudorf: -- Mr. Minister, could you give me a further commitment . . . like what I'm talking about right now is the travel costs of these individuals for that particular event. Now what I would like in addition to the travel costs are obviously other costs that were involved, whether it be food, whether it be accommodation, or whether it be perhaps payment to get into whatever activity for entrance fee or whatever it happens to be. Could you give me a commitment to give me the overall picture in addition just to the travel, what we're looking at right now? And then I don't have to go through that piece by piece.

(1645)

Hon. Mr. Cunningham: -- We will certainly do that.

Mr. Martens: -- Thank you, Mr. Chairman. I have a question that deals with leases on lease land. And I had a call today from an individual, and I'll deal with his lease number so that we don't get any names involved here.

His new lease is LAM 45971. And his old lease number was LCM 27629. Now he bought this piece of ground . . . well he didn't buy the lease, but he bought the deeded land, and then the adjacent land was transferred to him.

On the basis of the transfer that he's going to sign, his lease fees are going from \$10,000 a year to \$16,000 a year. The reason that the individual was told this, that it would go up, was that SAMA (Saskatchewan Assessment Management Agency) had reassessed this land from dry brown zone to a moist brown zone. Now we had a lot of rain down in that part of the world, and I'm not sure whether they reassessed it last year, but they should have taken it in 1988 when your gophers had to carry a canteen. And if they did it last year, then it's really a strange thing that they would take that into consideration.

Now he's also been told that once he signs the agreement that maybe they will reduce it, that maybe they will reduce the fee, and I would suspect that that would have to take a determination again by SAMA in order to have that fee reduced. Now this individual called me about it and asked me to bring it to your attention, Mr. Minister, and I said I would. I also know

that he is making a substantial investment in this land that deals with a \$16,000 lease fee, and that doesn't include all the taxes he pays on top of that, Mr. Minister.

I wonder if you would deal with that.

Another problem that he raised with me is that it was considered 2,108 cow-months originally. And when he purchased it, that was the decision that lands branch came to him with. And then when they established the new lease fee, it was not done on the basis of cow-months; it was done on the basis of acres. And so then they could re-jig the whole lease fee in moving it from 10,000 to \$16,000.

Now there are other people in that area that have complained about that same process. And I know of another person in that same area that wanted to move his lease from himself to his son, and in that process would have had an annual increase of \$2,000 a year in his lease fee. And in order to transfer this lease from the father to the son, he would have had to establish a new lease and it would have gone up.

And the story is that SAMA made the decision to change the type of land that this is. And in discussing it, I think that there is a serious error in how this is assessed. And I don't think that that should be done on that basis.

And I wonder if you would commit yourself to looking into it to make sure that it's done correctly and that the individual has a reasonable recourse in the discussion that he's had with your office and the branches of your office. He isn't complaining about what they have done; he's just complaining about the changes. And he isn't . . . the thing that bothered him the most was that he was told that it would be similar. And \$6,000 a year or a 60 per cent increase in the rent is not similar, and so that's what he has got a problem with. And if you wouldn't mind having a comment about that.

Hon. Mr. Cunningham: -- Well certainly we'll look into the individual case. We have converted the new leases from cow-months to acres although the conversation should be equivalent. If there's a reassessment of the land, that would have an influence. The other thing is that our grazing leases have gone up from four eighteen to four seventy-nine, so that may have some effect. But it sounds like a large increase, and certainly I will investigate this particular case and see if we can inform the lessee of the policy and if there's an error, of course, correct it.

Mr. Martens: -- I want to go back to this discussion we had right at the conclusion of our last estimates together, and that dealt with the payments or the sum of the amount of the losses that were incurred by Crop Insurance in 1991-92. That was \$150 million, Mr. Minister.

And in your explanation, it said that it was 150 million minus 85 million. In your discussion and your comments that you made to this House, you said it was 235 million reduced down to 150 million and that the record in the **Public Accounts** summary financial statements is accurate. And yet when I discussed it with the staff that were at the Public Accounts meeting, they indicated to me that the \$150 million should have read 65 million, not 235 minus 85 giving you the 150. And I

wonder if you would give us an explanation of that.

Hon. Mr. Cunningham: -- I think I have this figured out. The 235 million I referred to previously was the estimate that we thought we were going to pay out of revenue insurance. And as it turned out, prices of grain moved and we only paid out \$150 million, which is the \$85 million that we didn't pay out. And of course we didn't get the estimates until after the books were closed for the year, and so the adjustment was made to the following year and not back to the year.

So basically what happened is we had a pay-out of \$235 million which we estimated. It turned out to be only \$150 million. And hence the \$85 million had to be adjusted in the next year because the books had already been closed.

Mr. Martens: -- Mr. Chairman, and Mr. Minister, **Public Accounts**, the main financial statements says that there was \$150 million loss carried forward. And that \$150 million loss should read \$65 million -- isn't that correct? The \$150 million should read 65 million rather than \$150 million. I don't know where you get the 235; it doesn't even appear on that page that we're dealing with. The 235 million might have been what you estimated at, but the amount of money that you have is a \$150 million loss in 1991-92. And in **Public Accounts** it was clearly established that that number should have read 65, not 150, loss carried forward.

Hon. Mr. Cunningham: -- That 85 million was the difference; that was the amount we were out in our estimate. So what shows in '91-92 as \$150 million loss, really it should have been \$85 million less because that was the final result, although we didn't know that at the time. So \$150 million is reported in there. It should have really been 65 million, if you take off the 85. We didn't know it at the time, therefore we reported in '92-93, 201 which really should have been 115. So it's \$85 million that really belonged in one year and got pushed into the next year's accounts because we didn't know about it until after the books were closed. And they tell me this is according to the standard accounting procedures.

The committee reported progress.

The Assembly adjourned at 4:59 p.m.